United Nations A/C.2/54/SR.25

General Assembly
Fifty-fourth session

Official Records

Distr.: General
16 December 1999
English
Original: French

Second Committee

Summary record of the 25th meeting
Held at Headquarters, New York, on Thursday, 28 October 1999, at 10 a.m.

Chairman: Mr. Brauzzi (Vice-Chairman) ..... (Italy)

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99-81959 (E)

In the absence of Mr. Olhaye (Djibouti), Mr. Brauzzi (Italy), Vice-Chairman, took the Chair.

The meeting was called to order at 10.05 a.m.

Agenda item 99: Sustainable development and international economic cooperation (*continued*)

(b) Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) (*continued*)

Draft resolution on the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) (A/C.2/54/L.13)

1. **Ms. Critchlow** (Guyana) introduced the draft resolution on behalf of the Group of 77 and China.

Draft resolution on preparations for the special session of the General Assembly for an overall review and appraisal of the implementation of the Habitat Agenda (A/C.2/54/L.12)

2. **Ms. Critchlow** (Guyana) introduced the draft resolution on behalf of the Group of 77 and China.

(c) International migration and development, including the question of the convening of a United Nations conference on international migration and development to address migration issues (*continued*)

Draft resolution on international migration and development, including the convening of a United Nations conference on international migration and development (A/C.2/54/L.11)

3. **Ms. Critchlow** (Guyana) introduced the draft resolution on behalf of the Group of 77 and China.

Agenda item 104: Globalization and interdependence (*continued*) (A/54/98, A/54/175, A/54/358)

4. **Ms. Rose-Oduyemi** (World Health Organization) said that globalization had become a driving force in development thinking. Concerns about the positive and negative effects of the intensification of global flows of capital, goods, ideas and people were a major focus of national and international development policy dialogues. Developed and developing countries alike were seeking ways to capture the benefits of globalization while minimizing its risks.

5. For some the new millennium held the promise of greater wealth and greater well-being, but for the more than 1 billion people who were left out of the development process, the future was not promising. Everyone must join forces to make globalization work to better the health and well-being of those who had been left behind. Globalization would be judged a success only if it promoted growth and sustainable development, improved the distribution of income and reduced poverty. It was now generally accepted that health and education were key determinants of growth and development. Investment in people was the best use of limited development resources.

6. The technical programmes of WHO sought to work against the promotion and consumption of harmful products, to ensure that trade agreements promoted equitable access to health services, to strengthen the global surveillance system through the revision of the International Health Regulations and to promote policies and interventions that would combat major diseases.

7. In addition, WHO, in cooperation with its partners, was trying to promote more effective governance for health, to disseminate information about health so as to inform decision-making and to support efforts at national and local level to better understand the effects of globalization on health and to promote and protect the health of individuals.

8. Many of the challenges of the present day were global in nature. New policies and policy instruments were required to ensure that health and issues related to human development and poverty reduction were incorporated into global policy concerns. The common challenge was to ensure that globalization promoted social cohesion and that those currently marginalized were given the health, education and human security to get connected and to reap the benefits of the globalizing world.

9. **Mr. Zarie Zare** (Islamic Republic of Iran) said that his delegation associated itself with the statement made by the representative of Guyana on behalf of the Group of 77 and China. Globalization, which was reflected in increased mobility of the factors of production, the emergence of a global market and the rapid development of technologies, particularly information technologies, was affecting most societies. Globalization and liberalization had increased interdependence and as a result, had increased the possibility of interaction and cooperation.

10. That being so, although, in the long run, it might benefit some developing countries, globalization was having a destabilizing effect on most of them. Instead of bringing countries closer together it was creating division between those which were part of that development and those which

were excluded. Most developing countries were already suffering the adverse effects of globalization and were still waiting to see the positive effects. Globalization was not necessarily bad in itself, but it had increased the vulnerability of many countries and regions and, as a direct consequence, had increased uncertainty about the future, marginalization and exclusion.

11. It also had major impacts on the development and implementation of policy at the national and international levels. Its effects in the financial and trading areas could hamper the implementation of macroeconomic policies at the national level, as the impact of the recent financial crises on macroeconomic policies, poverty eradication programmes and human development programmes in the affected countries showed. Decision-makers in the developing countries should therefore take the international context into account in developing national policy. Towards that end, the developing countries would have to bolster their capacity in terms of decision-making and management of public affairs, integrate themselves into the international monetary, trading and economic system, and participate actively in all decision-making in policy coordination and development forums. The creation of a communications and information technology infrastructure and the dissemination of such technology could help improve the degree of coherence of the measures taken and the policies applied.

12. Coherence, complementarity and coordination between the policies adopted in the monetary, financial, trade and social fields must be enhanced. Poverty eradication, the creation of productive employment and the provision of social services, particularly to the poor, were incompatible with the heightened protectionism in some industrial countries. Also, some institutions and some institutional mechanisms, particularly in the economic field, were a long way from meeting the needs created by interdependence and globalization. Some problems could not be solved at the national level, and suitable institutional arrangements must therefore be created at the global level.

13. The United Nations was the most appropriate body, by reason of its mandate, its deliberative functions and its capacity for consensus-building, to respond to the challenges of globalization. A follow-up mechanism for the various systems established by United Nations bodies and the Bretton Woods institutions should be created to strengthen the Organization's role in that field. The United Nations bodies could also plan and carry out their operational activities in such a manner as to contribute to the integration of the developing countries into the global economy and help them, through capacity-building at the national level, to benefit from globalization and protect themselves from its negative impacts.

14. **Mr. Sibeko** (South Africa) said that his delegation associated itself with the statement by the representative of Guyana speaking on behalf of the Group of 77 and China. Globalization was an incomplete yet inexorable process. On the one hand, it opened up tremendous opportunities by eliminating barriers to the trade in goods and services, capital and information flows and technology transfers by promoting the integration of markets and bringing peoples together, leading to increasing standards of living. The revolution under way in information and communications technology had had beneficial effects for most countries. Scientific and technological progress had provided the international community with powerful tools to tackle problems of all kinds. Also, over the past few years the developing countries had been the locomotive for growth in the global economy in a context of globalization.

15. On the other hand, it could also be said that that blind process had impacted different countries differently. It had been accompanied by growing inequalities and asymmetries both within and between countries, and by short-term capital movements with disastrous effects on the developing countries. In a word, the positive effects of globalization had accrued mostly to the developed countries, while the developing countries faced worsening poverty and unemployment and reduced security in all its aspects. Moreover, despite their crucial role in the growth of the world economy, the developing countries remained excluded from international economic decision-making.

16. In Africa, the cost of globalization currently outweighed the benefits. The Uruguay Round agreements had not been implemented in the export sectors of interest to Africa. Debt service had diverted resources which could have gone to development. Supply-side capacity weaknesses and the lack of technology transfer also prevented African countries from participating actively in the global economy.

17. Despite that lamentable situation, globalization still held promise for developing countries in general and Africa in particular. However, it needed a "human face", a people-centred approach based on improving the standard of living for all: poverty must be eradicated, people's basic needs must be fulfilled and human rights must be promoted, with special attention to the status of women, children and disadvantaged groups. Another aspect of such development lay in the need to promote democracy, social justice and solidarity at the national, regional and international levels.

18. In pursuance of the ideals of people-centred development, the United Nations had an important role to play by intervening strategically, as a custodian of core moral values, in areas affected by globalization. That did not mean that it should deal directly with issues of trade or finance that fell within the competence of the Bretton Woods institutions; rather, the United Nations could suggest an integrated approach to trade, finance and development issues. If it was to achieve that objective, it must involve other actors such as civil society and the private sector.

19. **Mr. Svetogorsky** (Uruguay) said that globalization resulted from a combination of three factors: the development of information retrieval and dissemination techniques, the creation of integrated free trade areas and economic groups and the growing interrelatedness and interdependence of goods and services markets and financial markets. Protectionism must be avoided and commitments to liberalized trade must be put into effect. Countries like Uruguay did not want to find themselves marginalized. Yet the statistics showed that the gap between industrialized countries and developing countries was growing ever-wider. Much of the developing world, especially the low-income countries and the least developed countries, lacked the resources to draw up the basic agreements which would enable them to rely on international trade for sustained economic growth and enduring development. It was vital that multilateral organizations, especially the United Nations, should support them in their efforts to expand their share of world trade.

20. One of the most disturbing situations was unemployment, which affected all countries whatever their level of development. There were currently 130 million unemployed and 700 million underemployed. Those figures were due in part to globalization and liberalization. In many countries, there was not enough growth to create jobs.

21. Uruguay had joined MERCOSUR with a view to helping to accelerate the process of liberalization and association in Latin America. It believed that joining MERCOSUR was a means of integrating into the world economy. No country could afford to remain isolated any longer.

22. **Mr. Ri Kwang Nam** (Democratic People's Republic of Korea) said that his delegation associated itself with the statement made by the representative of Guyana on behalf of the Group of 77 and China. No one could currently deny that globalization had generated economic asymmetries at both the global and the national levels and posed new challenges to the aspirations of developing countries. The negative impact was increasingly pronounced in the areas of finance, the economy and trade and extended beyond to the sociopolitical and cultural domains, causing explosive situations owing to employment, income, health and environmental insecurities. Given those circumstances, the ministers for foreign affairs of the Group of 77 had emphasized at the meeting held in New York on 24 September 1999 that, while globalization was often unpredictable and uneven, it could, if properly managed and based on strengthened cooperation, open the way for enduring and equitable growth at the international and national levels.

23. His delegation would therefore like to see further analysis of globalization and, subsequently, common efforts to cope with the negative impact. In that regard, it drew attention to a number of issues. First, efforts must be made to create a more favourable international economic environment. The current environment, driven by free market forces and unpredictable capital fluctuations had been favourable to countries which benefited from sound economic conditions, technology and capital but unfavourable to the majority of developing countries which were relatively uncompetitive and marginalized. Accordingly, a just and equitable international economic order should be established in which developing countries participated fully in decision-making on world economic problems and had their needs and interests taken into account in the reform of the international financial and trading system.

24. Secondly, the downward trend of international development assistance should be reversed. Official development assistance had recently declined to 0 22 per cent of gross national product, or less than one third of the 0.7 per cent United Nations target. While each developing country should make maximum use of its domestic financial resources to promote development, external financial support was indispensable if the new challenges presented by globalization were to be met. His delegation therefore called on developed countries to comply by the year 2000 with the internationally agreed targets for official development assistance and with the commitments in Agenda 21.

25. Thirdly, unilateral economic sanctions and extraterritorial practices should not be allowed to remain intact. Unilateral economic sanctions were the product of power politics, which impeded the development of the economy and the trade of developing countries, and were an anachronistic means of pressure, which ran counter to current trends of closer economic and trading relations between countries.

26. **Mr. Murat** (Haiti) said that globalization compelled the State to share the administration of international relations with other actors of civil society. Although globalization offered new opportunities, at the same time it widened the gap between rich countries and poor and accentuated inequalities within borders. Unfortunately, the developing world suffered the most. Many developing countries stood at the margin of the world economy, a situation which caused major migrations, serious environmental stress and even disturbances and deadly conflicts. Marginalization was due to a combination of new factors which had not been favourable to the weakest economies.

27. Since globalization was inevitable, it was all the more necessary for the community of States to make a collective effort to extend the benefits of globalization to all nations and to reduce any negative impact. Migratory flows, environmental stress, drug trafficking and money laundering were some of the many international problems that made global solidarity imperative. The United Nations system could assist the world community to renegotiate the rules on development policy and economic and trading relations. The United Nations must be a stakeholder in all initiatives to reform the world economic system. It could encourage the integration of developing countries into the world economic system by helping to create the conditions for technology transfer and supporting the enhancement of national capacity (human resource development, external debt management, alleviation of the social consequences of economic reforms).

28. In conclusion, he reiterated the importance of the continuing support of the international community and of the essential role of the United Nations.

29. **Ms. Leonce** (Saint Lucia) said that whatever the terms used — globalization, liberalization, internationalization of trade — the world economy depended on the policies of the World Bank, IMF and WTO, whose major participants and decision-makers were the OECD or developed countries. The objectives of those institutions were basically to speed up economic growth, increase employment levels, reduce poverty, and promote development. The results obtained were not convincing. The OECD countries, with 19 per cent of the world's population, controlled 71 per cent of trade and 58 per cent of foreign direct investment, as well as accounting for 91 per cent of Internet users. In the developing countries, in contrast, growth had slowed from almost 6 per cent in 1996 to under 2 per cent in 1998. Their trade deficit was higher than in the 1970s. Poverty and unemployment were on the rise, and the general situation had deteriorated drastically. A few people, corporations and countries had an increasing share of resources and wealth, while in more than 80 countries per capita incomes were lower than a decade or more ago, and 55 other countries had declining per capita incomes. The system in place favoured the markets of the developed countries and their corporations by removing barriers to trade with the developing countries while maintaining barriers against developing country products. It was an inequitable profit-based system which promoted unbridled competition without a care for the disastrous long-term consequences. Given that situation, the international community could not disown its responsibilities.

30. The time had come to review the role of the institutions, which had been established in the colonial era without the participation of the developing countries and still acted without consulting them. It was necessary to liberalize not only the markets of the developing countries but also those of the developed countries in order to achieve equity. The countries benefiting from globalization should reverse the decline in ODA and give assistance through capacity-building and transfer of technology. It was also necessary to correct the distortions and structural imbalances which aggravated the negative impact of globalization. If globalization continued under current conditions, one economic system, one culture and one ethic would be imposed on all without any account being taken of differences between cultures, unequal stages of development, capabilities and vulnerabilities. The sovereignty of States and the rights and liberties of peoples would be undermined, and global chaos would ensue.

31. **Mr. Ayari** (Tunisia) said that Tunisia associated itself with the position stated on behalf of the Group of 77 and China with respect to agenda item 104: Globalization and interdependence. Left to its own devices, globalization risked disrupting international relations and development models and increasing the marginalization of the developing countries. It was the developing countries in particular, as well as the poorest social groups, which had suffered the consequences of globalization; hence the need to fulfil the commitments entered into at the international conferences of the United Nations while adapting them to the new realities.

32. The international community had a duty to ensure the development of the world economy while taking into account the characteristics of each country and giving particular attention to the problems of the developing countries. His delegation emphasized in that connection the need to establish an international trade system which would give the developing countries broader access to the markets of the developed countries with a view to obtaining from their exports more resources than they received in foreign capital flows. It hoped that WTO would establish a fairer and more

balanced trade system which truly took into account the interests of the developing countries.

33. Financial deregulation was an aspect of globalization which had helped to destabilize the developing countries, as the recent Asian crisis had shown. That was why Tunisia supported the establishment of a multilateral mechanism to control foreign capital movements and speculative flows in order to stabilize and regulate the international financial and monetary system.

34. Tunisia believed that economic and geographic groupings were a very important means of coping with globalization and it was determined to continue its efforts to build up the Arab Maghreb and establish a Euro-Mediterranean space to serve as a framework for cooperation among the countries bordering the Mediterranean. In that context it attached great importance to the next South-South conference in Cuba in November 2000.

35. His delegation supported the recommendations made by the Secretary-General in his report (A/54/358) with regard to action on the findings of international conferences and the establishment of a dialogue between the United Nations, the Bretton Woods institutions and WTO.

36. **Mr. Tomás** (Mozambique) said that his delegation associated itself with the statement of the Group of 77 and China. It shared the view that globalization had created opportunities, problems and new risks for all. It had indeed provided new opportunities for those countries which were well prepared to take advantage of them, but it had generally benefited the developed at the expense of the developing countries. The latter, in particular the least developed countries, were facing serious difficulties in integrating themselves in the world economy. By liberalizing trade and capital movements the globalization process had exposed the poor countries to powerful external forces and had marginalized them from the world economy. That had resulted not only in increased interdependence but also in over-dependence of the developing countries on the aid, markets and capital of the developed countries.

37. Globalization had thus become the most important challenge facing the developing countries today. The existing unjust international economic system must be replaced by a new system which would bring equal benefits to all the countries of the world. In the present case the need was to pursue the globalization of development, a process entailing the creation of an enabling international economic environment, reform of the global financial architecture, a comprehensive solution to the problem of the external debt of the developing countries, the provision of adequate aid for them, and the establishment of a fair trade agenda. In order to enable the developing countries to play a meaningful role in the globalization process, due account would have to be taken of their development concerns and their market access at the forthcoming WTO meeting in Seattle. At their meeting in Cape Town the trade ministers of the States members of the Southern African Development Community had emphasized that the principle of special and differential treatment of developing countries should be firmly established in the Seattle ministerial declaration.

38. **The Chairman** said that the Committee had thus concluded its general discussion of agenda item 104.

The meeting rose at 11.20 a.m.

United Nations A/C.2/54/SR.26

General Assembly
Fifty-fourth session
Official Records

Distr.: General
21 December 1999
English
Original: French

Second Committee

Summary record of the 26th meeting
Held at Headquarters, New York, on Friday, 29 October 1999, at 10 a.m.

Chairman: Mr. Niculescu (Vice-Chairman) ..... (Romania)

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Agenda item 99: Sustainable development and international economic cooperation

(c) Women in development (*continued*)

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99-82004 (E)

In the absence of Mr. Olhaye (Djibouti), Mr. Niculescu (Romania), Vice-Chairman, took the Chair.

The meeting was called to order at 11.30 a.m.

Agenda item 100: Environment and sustainable development (*continued*)

(a) Implementation of Agenda 21 and the Programme for the Further Implementation of Agenda 21 (*continued*)

Draft resolution on implementation of and follow-up to the outcome of the United Nations Conference on Environment and Development and the nineteenth special session of the General Assembly (A/C.2/54/L.14)

1. **Ms. Critchlow** (Guyana), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.2/54/L.14, drawing particular attention to paragraphs 2, 4, 6 and 7. She underlined the importance which those delegations attached to effective implementation of Agenda 21.

(c) Convention on Biological Diversity

Draft resolution on the Convention on Biological Diversity (A/C.2/54/L.15)

2. **Ms. Critchlow** (Guyana), speaking on behalf of the Group of 77 and China, introduced draft resolution A/C.2/54/L.15, drawing particular attention to paragraphs 4, 8 and 10.

Agenda Item 99: Sustainable development and international economic cooperation (*continued*)

(c) Women in development

3. **Ms. King** (Assistant Secretary-General, Special Adviser on Gender Issues and Advancement of Women) introduced the *1999 World Survey on the Role of Women in Development* (A/54/227), which dealt in particular with globalization and its consequences for women and work. It was the fourth such quinquennial publication of the Division for the Advancement of Women, and benefited from input from agencies of the United Nations system, including the regional commissions, the International Labour Organization (ILO), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Fund for Women (UNIFEM), the Food and Agriculture Organization of the United Nations (FAO), the International Research and Training Institute for the Advancement of Women (INSTRAW) and the World Bank.

4. The major trend in the world economy was the intensification of the process of market integration, which was characterized by greater international trade and financial flows. The *1999 Survey* dealt with the way in which globalization had transformed the world of work for women. In particular it discussed the effects of globalization on women within the household and on their working conditions. A number of subjects were studied in detail, among them the reorganization of production, the fact that flexibility of employment was becoming more common, international labour mobility and the transformation of the work of women in rural areas.

5. The *Survey* demonstrated that the impact of globalization on the work of women was mixed. Forces unleashed by the phenomenon of globalization had opened up new horizons which could potentially be empowering to women but on the other hand could create economic conditions which were inimical to gender equality, leading to increased economic volatility and job insecurity and a greater probability of losing one's livelihood. There had been a steady increase in female employment, resulting in increased economic autonomy of women and a stronger role for them within households, although they often had precarious jobs which did not enable them to enjoy basic worker rights. The *Survey* also made clear that globalization tended in some circumstances to exacerbate discriminatory practices against women in the workplace and to increase inequalities between the sexes. In that respect, she called on the members of the Committee systematically to take gender factors into account in their deliberations. To achieve the goals of peace and sustainable human development it was essential to adopt an approach which incorporated the gender perspective. That meant that consideration should be given to the means whereby women and men were able to participate in the global economy on an equal basis and derive the same benefits from economic growth.

6. In that context the *Survey* suggested a number of measures that should be taken at national and international levels within the framework of gender policies. They included: the adoption of equal opportunity programmes aimed at reducing segregation in employment on the basis of sex; the adoption of policies allowing women workers to consolidate the benefits derived from their increased access to paid employment through the exercise of basic worker rights; the adoption of policies addressing the needs of women, who were over-represented in the informal sector; the encouragement of firms to raise productivity by investing in workers rather than by cost-cutting; and the promotion of equal access to training and retraining for women and men. The General Assembly might wish to take those

recommendations into account and to focus on the issues of the improvement of the economic situation of rural women and the evolution of the international financial architecture and its repercussions for the full participation of women and the negative impact of financial crises on women.

7. **Mr. Hernández** (Coordinator, Joint Inspection Unit), introducing the report of the Joint Inspection Unit (JIU) entitled "An evaluation of the United Nations International Research and Training Institute for the Advancement of Women (INSTRAW)" (A/54/156-E/1999/102), said it showed that INSTRAW had achieved remarkable success in its specialized field of endeavour and was an example to the whole United Nations system of what could be accomplished with extremely limited resources. It was therefore regrettable that INSTRAW currently found itself in an acute financial crisis. If it were to close down, it would be the first case in the history of the United Nations of a United Nations body closing without being able to achieve its objective. Its closure would send very negative signals regarding the commitment of the United Nations to the advancement of women; INSTRAW's demise would slow the momentum towards gender equality which had been given impetus by the Beijing Declaration and the Platform for Action of the Fourth World Conference on Women.

8. Every option must be explored to safeguard the future of an irreplaceable institution; JIU had made a number of practical and realistic recommendations to that effect in its report, and several of them could be implemented rapidly. Member States must acknowledge the high quality of INSTRAW programmes. Action must be taken to raise INSTRAW's visibility, strengthen the fund-raising function and increase the effectiveness of fund-raising activities, in which the Board of Trustees of INSTRAW must take a more active role at the regional level.

9. He noted with satisfaction that in accordance with recommendation 3 (a) of the JIU report, an experienced professional had been appointed as Acting Director of INSTRAW. It was to be hoped that the duties and responsibilities of the post of Director would be fully respected in conformity with INSTRAW's statutes.

10. JIU had become aware of a number of shortcomings in the administrative services provided to INSTRAW by the United Nations Secretariat, and considered that it was time to compensate the Institute for the inappropriate use of its funds, which resulted from donations by member States.

11. Under the Charter, one of the goals of the United Nations was the promotion of the economic and social advancement of all peoples, and to that end it was imperative to take into account the needs of all sectors of the population, including women. In that sense, there was a direct link between INSTRAW's training and research activities and the quest for universal progress.

12. In common with other United Nations institutions devoted to development which had no access to funding from the Organization's regular budget, INSTRAW was entirely financed by voluntary contributions, which placed it at a disadvantage compared with other bodies such as the United Nations Institute for Disarmament Research that were able to receive subventions from the regular budget. Member States should take the necessary steps to remedy that injustice.

13. In conclusion, the JIU report had focused its attention on the future of INSTRAW by reviewing the Strategic Plan and Work Programme for 2000-2003, prepared at the request of the Economic and Social Council. That document represented a serious attempt to move INSTRAW forward to the next millennium, proposing institutional reforms to give it a more solid financial base.

14. **Ms. Ameer** (Guyana), speaking on behalf of the Group of 77 and China, said that the Beijing Declaration and Platform for Action had called attention to the crucial issues that women faced and, in particular, to their all-inclusive role in society.

15. In the case of women in development, it was gratifying that the discussion focused not only on the biological differences between the sexes but also on the social implications of such differences. Accordingly, the concept of gender mainstreaming should be integrated into all development programmes so as to promote gender equality.

16. Over the recent years, the international economy had undergone a rapid transformation. The globalization and liberalization process which had marked the trend towards global economic integration had affected cultural, political and social norms. Although globalization had had positive effects in some countries, it had been prejudicial to women in developing countries. The Group of 77 and China had previously expressed their concern over the increase in world poverty and the greater inequality between regions and income groups that had resulted from that phenomenon. The accelerating feminization of poverty caused by the unpredictable nature of female employment in the global market should be underscored. The report entitled "1999 World Survey on the Role of Women in Development: Globalization, Gender and Work" (A/54/227) indicated that globalization had profoundly affected women's work; that growing numbers of women had been incorporated into paid employment but that their working conditions were usually inferior to those of men; that structural adjustment measures

had disproportionate costs for women, especially poor women; and that the welfare demands placed on the family and women had increased, especially in developing countries, owing to a reduction in social sector spending.

17. The internationalization of production, the reorganization of work and the mobility of labour in the globalized economy had had a significant impact that mainly affected women. The growing trend of multinational companies to transfer their production activities, generally to developing countries where labour in the informal sector was cheap, and the resulting exploitation of women, was particularly alarming. Much of the employment offered by such companies was unstable owing to the deregulation of the international market. Most of the workers in the informal sector were women and the majority did not have job security or social services. Women workers in both rural and urban areas suffered from poverty. The forces of globalization had increased poverty among women agricultural workers as a result of the liberalization of the market, which encouraged large-scale commercial farming.

18. It was clear that the economic insecurity resulting from globalization must be considered when the issues of gender mainstreaming and gender equity were examined. Several United Nations forums had been addressing the disproportionate effects of poverty on women. In that respect, the Group of 77 and China reaffirmed their commitment to the Beijing Declaration and Platform for Action and recognized the efforts that the Division for the Advancement of Women, the International Research and Training Institute for the Advancement of Women (INSTRAW) and the United Nations Fund for Women (UNIFEM) had made in that context. Nevertheless, they recommended a more thorough examination of issues relating to globalization and women's employment.

19. **Mr. Kääriäinen** (Finland), speaking on behalf of the European Union, the Central and Eastern European countries associated with the European Union, and the associated countries Cyprus and Malta, and the European Free Trade Association country member of the European Economic Area, Liechtenstein, which aligned themselves with his statement, welcomed the Secretary-General's report in document A/54/227, which would be of benefit to subsequent discussions on the issue and would assist the formulation of policy for the economic and social development of women. The report concluded that it was difficult to generalize regarding the positive or negative impact of globalization on gender equality. Globalization had provided new opportunities to empower women particularly through wage employment in new sectors. New technologies, for example, had the potential to provide women with access to the information they needed to improve their lives considerably.

20. However, a worrisome trend was that many negative impacts of liberalization and globalization appeared to have affected women disproportionately. For example, the flexibilization of employment had created precarious forms of employment that mainly concerned women. A growing number of women had paid employment but often under irregular and unfavourable conditions compared to the working conditions of men, and the principle of equal pay for work of equal value was not respected. Many countries had reduced social spending, which imposed an extra burden on the family and, in particular, on women. The Secretary-General's report indicated that, in general, a women's burden of household work and primary responsibility as care-givers for the family did not diminish with increased participation in paid employment.

21. It was a source of particular concern that the already large share of women among the world's poorest people would increase in coming years. Accordingly, measures should be taken at all levels to combat the feminization of poverty; a concerted effort to define effective measures to combat poverty was needed, particularly employment policies that encouraged gender equality. The attainment of such goals required the active and equal participation of men.

22. It had been increasingly recognized in recent years that gender equality was the essential precondition for eliminating world poverty and upholding human rights and fundamental freedoms. It was now acknowledged that all social, political and economic structures and development policies should be designed so that women were not at a disadvantage. The European Union gave priority attention to mainstreaming women in development. That effort should be complemented by positive action designed to promote equal access of men and women to economic, political and social development opportunities. Attitudes and social norms needed to be changed, and the institutional and cultural barriers that hampered the participation of women in economic activity and decision-making at all levels must be eliminated. It was also necessary to ensure women's equal access to and control over economic resources, especially in regard to land ownership, credit, market access, employment and inheritance.

23. It was recognized that investments to promote the education of girls were extremely profitable. Two thirds of the illiterate worldwide were women. An educated and skilled workforce played a critical role in efforts to improve competitiveness, growth and employment in a globalizing

world. No country could afford to exclude a large part of its population from acquiring the requisite skills to take up those challenges. Governments should also increase their efforts to promote employment opportunities for qualified women and ensure equal pay for work of equal value and equal terms of employment with men.

24. There were also many gender-based inequalities in the field of health. The European Union therefore encouraged Governments to take steps to remedy that situation. It was essential to ensure, on a basis of equality between women and men, universal access to quality, affordable health care, and health services and information for women throughout their lives were essential.

25. Too often, macroeconomic policies were designed without sufficient attention to their impact on the lives of men and women. An effective development policy should take into consideration the complex interrelationship between growth, employment and productivity. The empowerment of women was also a prerequisite for poverty eradication and effective employment policies. Sex-disaggregated statistics were useful tools for developing economic and political strategies aimed at creating gainful employment opportunities and ensuring sustainable livelihoods for both women and men.

26. Microfinance services gave women access to financial services; they allowed the poor to become self-reliant, while creating employment opportunities and encouraging women to engage in economically productive activities. women should be equally represented in the decision-making process relating to funding and receive adequate information on the management of such operations.

27. Unpaid work was another important issue. The Secretary-General considered, rightly, that the matter should be given increased visibility and that the economic definition of work should be revised in order to include unpaid work. The agreed conclusions of the Commission on the Status of Women recommended developing mechanisms to measure unpaid work in quantitative terms in order to assess the real value of such work and accurately reflect it in official accounts.

28. The European Union considered that the United Nations system, especially the United Nations Development Programme (UNDP), the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA), should continue to play a critical role in advancing the role of women in social and economic fields. The United Nations Development Fund for Women (UNIFEM), in particular, had mounted praiseworthy efforts helping the United Nations system strengthen gender expertise at the field level.

29. **Mr. Castillo** (Dominican Republic) emphasized that, in developing countries, it was women who suffered most from discrimination in the area of employment and at the decision-making level and women also who generally assumed responsibilities as heads of families. Nevertheless, the International Research and Training Institute for the Advancement of Women (INSTRAW), the only United Nations agency wholly devoted to research and training for the advancement of women, did not have access to resources from the Organization's regular budget. Depending on voluntary contributions, which prevented long-term or medium-term planning, the Institute was obliged to limit its activities to the very short term. It was unfortunate that the United Nations did not give greater attention to women in the developing world or stronger support to the Institute, as it played an essential role. INSTRAW could not continue to depend on voluntary contributions alone for its operations; it was urgent to assess its financial situation and simplify administrative procedures so that it could use the contributions it received when needed and execute its mandate.

30. During the General Assembly's general debate, the President of the Dominican Republic had reasserted that his country, the host country, attached great importance to INSTRAW, one of the three United Nations bodies located in a developing country and the only one in the Latin American and Caribbean region, and had appealed to all States to contribute to revitalizing the Institute so that it could continue its activities. Consequently, it was urgent that the United Nations should make a firm commitment to uphold the Institute, which was of significant importance for women in developing countries.

31. **Mr. Farar** (United States of America), referring to the World Survey on the Role of Women in Development (A/54/227), said that it was a well-documented report that described in detail the barriers to women's advancement and the opportunities offered to them. Nevertheless, he hoped that future reports prepared by the Secretariat would reflect more of UNIFEM's experience and outlook. The report contained numerous practical observations that could assist those responsible for elaborating social and economic policies for the advancement of women. In most parts of the world, women continued to assume the primary responsibility for household tasks and childcare, despite their increasing presence in the workplace.

32. During its recent high-level segment, the Economic and Social Council had reaffirmed that the empowerment of

women, especially through employment, was crucial for the elimination of poverty and, indeed, for all aspects of economic development. Women accounted for the majority of new workers in both industrialized and developing countries. Women-owned businesses created employment in the United States.

33. With regard to women's role in the global economy, future reports should focus more on the opportunities that globalization provided for new approaches to the economic advancement of women. The World Survey mentioned that homeworking had increased in both industrialized and developing countries to the benefit of women more than men. That phenomenon affected a broad range of sophisticated and simple occupations and salary systems in service and manufacturing industries. Technological change would continue to influence the ways in which homeworking developed; therefore, future reports should examine the positive impact of technology on the world's people, including people in the developing world.

34. Investments in education and training for women and girls, and in health care and support services that enabled them to balance their professional and family responsibilities, benefited women and their families. Advancing the status of women was not merely a social and moral issue, it was also an economic imperative.

35. **Mr. Avramenko** (Russian Federation) said that his country was in favour of the full implementation of the commitments contained in the core documents of the Beijing Conference and the Summit for Social Development and the agreed conclusions adopted by the Commission on the Status of Women at its forty-first session. It noted that a substantive discussion had been held during the high-level segment of the previous session of the Economic and Social Council, at the end of which a ministerial communiqué had been adopted on employment, the elimination of poverty and the improvement of the status of women.

36. In the four years following the Beijing Conference, the international community had taken various measures that had improved the status of women and strengthened their role in socio-economic development; but many problems remained to be solved.

37. With regard to the evaluation of the role of women in society, one should be careful of going to extremes. While recognizing the equality of men and women and the equal rights of the two sexes, the specific role that women played in society should also be borne in mind. Consequently, the State should recognize the extra burden that they must assume within the family and create conditions that allowed them to harmoniously combine employment and family obligations.

38. Russia still had many problems to resolve with regard to equal rights and opportunities for women. The existing legal system protecting women's rights by no means reflected current economic circumstances and was difficult to put into practice. Such problems, which many other countries also faced, needed to be solved together by using past experience, especially that of the corresponding agencies of the United Nations.

39. In Russia, women represented half the economically active population; their potential was a considerable economic resource. They should be helped to adapt to market conditions and their efforts must be channelled in the most effective direction. Russia relied on the constructive collaboration of the international community in order to accomplish that objective.

40. As the provisions of the documents of the United Nations had been reached by consensus, they were still current; that was particularly true of certain provisions of the Beijing Platform for Action that required the United Nations system and the international financial institutions to support countries in transition so that they might execute plans and programmes aimed at improving the status of women.

41. In Central and Eastern European countries, and in member countries of the Commonwealth of Independent States, projects and initiatives linked to matters of family planning and violence against women received support from United Nations funds and programmes. Although such problems were especially severe in countries in transition, it was also important, in those countries, to support the implementation of programmes designed to create jobs for women, to promote entrepreneurial spirit, to develop new independent activities that would allow women to work while carrying out their family responsibilities, to train women in management techniques, and to promote women to positions of responsibility in the political and economic arenas.

42. The competent United Nations bodies should devote more attention to questions related to the improvement of the socio-economic situation of women when they formulated technical assistance programmes for countries in transition. IMF and the World Bank should attach greater importance to gender parity in their projects.

43. **Ms. Garcia** (Mexico) said that globalization had transformed the labour market from the point of view of gender specificity. The integration of women into economic life had not ensured their equal treatment or eliminated

discrimination against them. Measures must therefore be taken to protect women in the labour market since increasing numbers of them were heads of households and often worked in the informal sector; not only did they hold jobs, but they also did household chores. Furthermore, they received salaries lower than those of men and were increasingly migrating in search of work.

44. At the national level, it was necessary to achieve a level of economic growth that would improve the situation of the most disadvantaged groups, especially women. Institutional mechanisms should be strengthened and social policies formulated with a view to augmenting the incomes of disadvantaged families and helping women to enter the labour market in equal and secure conditions by offering educational and training opportunities and by promoting employment.

45. Income disparities, imbalances in economic growth and market fluctuations at the international level hampered poverty reduction and the integration of women into development. International financial stability and access to world markets must be consolidated with a view to harmonizing structural and macroeconomic elements with human and social development priorities within the framework of a new concept of social productivity which would take into account the principle of equality between the sexes.

46. The Mexican Government, which accorded high priority to promoting the full participation of women in social, economic, political and cultural life on a par with men, devoted significant resources to programmes designed to eliminate poverty using a gender-specific perspective, and to training women in non-traditional activities; it was also encouraging independent employment and the creation of microbusinesses, in view of regional, social and gender realities.

47. **Mr. Kolby** (Norway) said that sustainable development demanded the full participation of women in all aspects of the process; they should also be able to share on an equitable basis in the resulting benefits. Importantly, women must enjoy the same rights and opportunities as men. It was not enough to create projects for their benefit; the matter of equality must be integrated into all activities carried out within the framework of development cooperation.

48. The report of the Secretary-General on the implementation of the Beijing Platform for Action (E/1998/54) contained useful recommendations on capacity-building to improve the integration of women. Although impressive efforts had been made, much remained to be done to integrate the gender perspective into all activities. In that regard, those agencies that had not yet done so should adopt institutional directives. The United Nations Development Assistance Framework would be instrumental in integrating intersectoral themes, such as gender equality, into a strategic framework.

49. Furthermore, the Norwegian delegation agreed with the recommendation, in paragraph 20 of the Secretary-General's report that aimed to strengthen the capacity to implement commitments made at the Beijing Conference with regard to women's human rights, women's empowerment and the elimination of violence against them.

50. At the special session to be held in June 2000, the General Assembly should reaffirm but not renegotiate the Beijing Platform for Action. It should also assess progress achieved in the past five years, identify new approaches to action, and above all improve the Platform's implementation modalities.

51. The World Survey on the Role of Women in Development (A/54/227) demonstrated that globalization had had ambiguous and sometimes contradictory effects on gender equality. Although women had gained new employment opportunities, they had also suffered more than men from economic volatility and job insecurity. Measures must clearly be taken at the national and international levels to minimize the negative effects of globalization on women, especially by giving them access to education and training, which should improve their income-earning opportunities, strengthen their cultural bonds and promote their participation in democratic processes. Furthermore, men and women should have the same rights to labour conditions, salary and access to credit. At the international level, the core labour standards should be universally implemented.

52. **Mr. Ma Xuesong** (China) said that women should participate in social and economic development and in the elimination of poverty. Since the Beijing Conference, the international community had worked energetically to eliminate obstacles to the advancement of women. However, instability in some parts of the world and financial crises in certain developing countries had contributed to the perpetuation and even exacerbation of poverty, of which women were the principal victims. The international community must adopt follow-up measures to fulfil the commitments already made and must create conditions conducive to women's full participation in development, especially by improving their access to education and jobs, extricating them from poverty and enhancing their status. The special session of the General Assembly on the question of women to be held in 2000 should provide the opportunity

comprehensively to review activities undertaken thus far and to formulate new programmes for action.

53. China had always upheld the principles of gender equality and women's participation in development. It had adopted a set of measures to assist them in various areas. In 1995, the Government had adopted a plan for the advancement of women, which fully incorporated the principle of gender equality in economic and social development plans and established 30 indicators designed to measure progress in such areas as education, employment and health. The situation of Chinese women had consequently improved: they were better informed and participated in public affairs and the job market in growing numbers.

54. China was aware that much remained to be done in the areas of economic and social development and participation of women; in that regard, it was ready to cooperate with other countries and relevant international organizations, particularly those in the United Nations system.

55. **Ms. Shambos** (Cyprus) commended the United Nations for its efforts to establish a gender perspective in all its activities. She welcomed in particular the report of the Secretary-General entitled "1999 World Survey on the Role of Women in Development: Globalization, Gender and Work" (A/54/227) and reaffirmed her country's support for the Institute for the Advancement of Women (INSTRAW) and its new strategic plan and work programme for 2000-2003.

56. After the dramatic events associated with the invasion of Cyprus 25 years previously, the Government had endeavoured to integrate women into the country's recovery efforts. Their contribution to the economic recovery and the development of Cyprus had been invaluable. Over the past 20 years, the role of Cypriot women in social and economic life had been considerably strengthened, principally through their increased participation in economic activity. Greater public awareness of gender issues had resulted in a study, at the political level, of the particular problems of women, their position in the workplace, their social status and their specific difficulties. In 1994, by decision of the Council of Ministers, the national machinery for the rights of women had been established following consultations with various interested organizations. The Council of Women's Rights, which was part of the national machinery, was an advisory body that submitted proposals on measures to promote equal representation, followed up the implementation of government measures and programmes on women's issues and provided the public with information on gender equality issues.

57. Recent government measures to enhance the role of women in development had been implemented through overall economic development policy aimed at maintaining full employment and through special measures to facilitate women's access to the labour market.

58. The main objectives of the strategic development plan for 1999-2003 were eliminating all forms of discrimination against women in the labour market, improving the support infrastructure for working parents and alleviating the particular problems faced by rural women by encouraging them to engage in income-generating activities.

59. Various legislative measures were also being drafted to cover a number of areas including equal treatment in the workplace, equal pay, social insurance benefits and the right to maternity leave. Those measures were constructive steps to entrench the notion of gender equality at all levels through gender mainstreaming in government development policy and plans of action. The Government of Cyprus was committed to pursuing all possible steps to ensure that women had full enjoyment of their basic human rights and were equal partners in shaping the economic, political and social life of the country. That commitment stemmed from the belief that achieving gender equality was a necessity dictated by the long-term requirements of the social and economic development of the country. However, much remained to be done to achieve gender equality in all societies. Both national and international efforts must be stepped up before there could be real partnership between men and women in the twenty-first century, with both sexes sharing the fruits of development within the family, in the workplace, in the political and economic spheres, in all sectors and at all levels.

60. **Mr. Myint** (Myanmar) stressed that in Myanmar, a country that had always attached great importance to gender equality, women and men enjoyed equal status in all aspects of life and action had been taken to follow up the recommendations contained in the Beijing Platform for Action. Thus, the National Committee for Women's Affairs, which had been set up in 1996, had formulated a national action plan for the advancement of women that had been implemented the following year. The action plan comprised six areas for intervention — women's education and training, women's health, women in the economy, women and culture, the girl child, and violence against women — and paid special attention to women living in remote rural border areas.

61. In 1991, the Government had established the Myanmar Maternal and Child Welfare Association to organize the maternal and child welfare activities that had been

undertaken by voluntary organizations for over 40 years. The Association was an autonomous humanitarian organization which worked with many United Nations bodies and national and international non-governmental organizations. The Association followed the national action plan for the advancement of women in its activities in the field of maternal and child health — including vaccination campaigns, nutrition programmes for children and combating HIV/AIDS — and female illiteracy. Its excellent primary health-care work had been recognized in an award from the World Health Organization (WHO).

62. **Mr. Lewy** (Israel) said that in terms of communal development, Israel stressed the human factor and, in particular, the role women must play in leadership capacity-building. Training programmes reflected a holistic approach to socio-economic development; that was why the Government's objective was to promote communities' self-sufficiency. Women must have equal access to education, vocational training and employment.

63. The international training centre at Mount Carmel had endeavoured since its inception 40 years previously to promote the gender issue on the international agenda. Over the years, it had contributed to the advancement of women in Africa, Asia, Latin America and the Mediterranean region while continuing to stress the development of human resources by training women for sustainable development. To date, thousands of participants from numerous countries had attended courses, workshops and seminars at the Centre, and thousands of others had taken part in on-the-spot courses in cooperating countries. Those activities reflected Israel's strong commitment to the programmes of action recommended at the various international conferences of recent years. The Centre was cooperating with various international women's organizations, United Nations specialized agencies and other international development agencies.

64. Women would not enjoy equality with men unless responsibilities such as high-quality child care were shared by the community, unless the value of women's productive work and their incomes enabled them to meet their own and their families' needs and unless women held responsible posts at the local and national levels. Innovations must be introduced on a case-by-case basis, lessons must be drawn from experience and, if the evaluation was positive, policy makers must be persuaded to adopt the innovations.

65. However, at the macroeconomic level the economic crises of the 1990s in Africa, Latin America and Asia had largely eradicated whatever progress had been achieved during the previous two decades of development. Communities once again faced famine, disease and poverty, while Governments were less able to assist them. Non-governmental organizations must mobilize funds and intensify their efforts to mitigate the impact of those upheavals.

The meeting rose at 1.10 p.m.

United Nations A/C.2/54/SR.27

General Assembly
Fifty-fourth session

Official Records

Distr.: General
15 November 1999

Original: English

Second Committee

Summary record of the 27th meeting
Held at Headquarters, New York, on Friday, 29 October 1999, at 3 p.m.

Chairman: Mr. Niculescu (Vice-Chairman) ..... (Romania)

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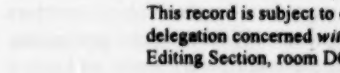
99-82022 (E)



In the absence of Mr. Olhaye (Djibouti), Mr. Niculescu (Romania), Vice-Chairman, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 99: Sustainable development and international economic cooperation (*continued*) (A/54/56, A/54/97-E/1999/52, A/54/170, A/54/171-E/1999/111; A/C.2/54/5)

(c) Women in development (*continued*) (A/54/156-E/1999/102, A/54/156/Add.1-E/1999/102/Add.1, A/54/227, and A/54/275)

1. **Ms. Rizk** (Syrian Arab Republic) said that the major United Nations conferences of the 1990s had generated increasing international agreement about the need to guarantee women equal rights and to enhance their participation in various spheres, including development. Despite progress in that regard, the high incidence of poverty among women was one of several obstacles to their effective participation in development efforts. His delegation therefore welcomed the decision to focus on women and poverty on the occasion of the International Day for the Eradication of Poverty, 1999.

2. Developing countries suffered from high levels of foreign indebtedness, marginalization caused by the process of economic globalization, the diminishing availability of official development assistance and the concentration of direct foreign investment in only a small number of countries. The international community's support was needed if those challenges were to be overcome and women were to contribute positively to the achievement of growth in developing countries.

3. The Syrian Constitution strongly advocated the elimination of barriers to the full and effective participation of women in political, social, cultural and economic life. Women occupied senior positions in Syria's legislative, executive, judicial and diplomatic bodies, as well as in the armed forces and the police force. Syrian women could vote and stand for election at all levels, enjoying the right to equal pay for equal work and complete equality with men in education.

4. The Syrian Government fully supported non-government organizations working to empower women and to enhance their participation in the social and economic development process. Indeed, Syrian women occupied senior positions in a number of grass-roots organizations and trade unions.

5. A national strategy for Syrian women until the year 2005 had been devised in the follow-up to the Beijing Conference and the national committee responsible for implementation of the Beijing Platform for Action cooperated fully with international organizations on related projects. Work opportunities and training were accorded special importance in efforts to eradicate poverty among women.

6. All the major international conferences had highlighted the detrimental effects of foreign occupation on development, particularly with respect to women. As a result of Israeli occupation, Syrian women in the occupied Syrian Golan, Lebanese women in southern Lebanon and the Western Bekaa and Palestinian women had witnessed the breakdown of the family unit and had had their fundamental rights denied, including the right to freedom, education, health care and justice. It was vital to address the causes of such suffering, first and foremost by bringing an end to the occupation.

7. **Ms. Berman** (International Labour Organization) said that ILO had been one of the two lead agencies to make a contribution to the 1999 World Survey on the Role of Women in Development: Globalization, Gender and Work (A/54/227) and welcomed its publication. In recent decades, women's participation in the labour market had increased significantly; however, the quality of the jobs they held and their working conditions had not improved. Although the service sector now had a predominance of women, many of those jobs, with the exception of the information and knowledge-based industries and certain high-end professional jobs, were low-skilled, low-wage and labour-intensive. Globalization had aggravated the gap between rich and poor; levels of poverty in the world were increasing and women were disproportionately over-represented among the poor. They worked in sweatshops and in industries, many of which were in export-processing zones — which were often exempt from labour laws — and in the informal sector, where poor working conditions threatened their health and social and psychological well-being and without income security or social protection.

8. ILO took a comprehensive, holistic and multidisciplinary approach to tackling the challenges of globalization, poverty and gender relations. In addition to promoting gender mainstreaming as a means of achieving gender equality, it was also focusing on four strategic areas: the promotion of core labour standards and fundamental rights at work; decent work for all with emphasis on more and better jobs for women; adequate social protection, particularly for part-time and temporary work; and social dialogue aimed at broad-based participation that would give

women a voice in decision-making; gender was a primary cross-cutting theme in each area.

9. ILO had formulated an Action Plan on gender mainstreaming, which reflected its efforts to implement the 1997 agreed conclusions of the Economic and Social Council regarding gender mainstreaming within the United Nations system. The Action Plan stressed the mobilization of political commitment at the highest level; support for gender-sensitive institution-building and technical capacity-building; resource mobilization; and the increased representation of women in senior management positions within ILO itself.

10. **Mr. Kim Pil-woo** (Republic of Korea) said that much remained to be done in order to translate the concept of gender and development into action. He stressed the need for an innovative examination of gender roles in the context of development, reorganization of the basic institutions of society and consideration of the impact of globalization on the economic and social lives of women. In that connection, his delegation welcomed the reports of the Secretary-General on the issue of women in development in a global context, particularly the 1999 World Survey.

11. Owing to inequalities and poor regulation of labour markets, women were disproportionately shouldering the burden of globalization. His delegation supported the recommendation, contained in the 1999 World Survey, to establish a gender-aware policy framework which, it believed, should stress gender equality in the labour market, employment security, family-enabling policies and the equitable division of household responsibilities between men and women. Continued investment in human capital based on gender equality would also help to capitalize on women's potential to contribute to the development process. Domestic efforts to promote gender mainstreaming in the labour market and in economic policies should be accompanied by international policy coordination. In conclusion, concrete actions for advancing the gender-aware concept should be outlined at the special session of the General Assembly to appraise and assess the progress achieved in the implementation of the Nairobi Forward-looking Strategies for the Advancement of Women, and the Beijing Declaration and the Platform for Action of the Fourth World Conference on Women.

12. **Ms. Onoh** (Nigeria) said that while the report of the Secretary-General (A/54/227) indicated that globalization had had a positive impact on the political and economic empowerment of women, it contained very little empirical evidence, particularly with regard to the African countries. For example, statistics on foreign direct investment in sub-Saharan Africa covered only seven African countries. Drawing attention to paragraphs 196 to 212 of the report, which dealt with changing patterns of international labour mobility, she stressed that the international community must consider the issue of international migration and development, including the convening of a United Nations conference on international migration and development.

13. Under the Labour Code of Nigeria, women who had the same qualifications as men and were performing similar jobs must receive equal pay. That legislation was enforced in both the public and private sectors. In conclusion, while the phenomenon of globalization was an irreversible reality, it should not extend into the cultural sphere; the contribution of wives and mothers to all societies could not be measured in monetary terms, it must be taken into account in the broadest possible concept of development.

14. **Mr. Al-Banai** (Kuwait) said that Kuwait had participated in all the major United Nations conferences held throughout the 1990s and welcomed efforts made in that context to place equality of women on the international agenda and to address gender within the wider context of development and peace.

15. The Constitution of Kuwait enshrined the principle of equal rights and duties for all citizens without distinction on grounds of gender, origin, language or religion, and the State viewed gender equality as central to lasting and sustainable economic growth and development. Women represented a powerful force for change and development in all spheres of life, particularly in the economic arena. Indeed, scientific research had demonstrated the link between investment in women and promotion of economic development. For its part, the State of Kuwait encouraged women's education at all levels; indeed, more than 50 per cent of all Kuwaiti students — in schools and universities — were women.

16. A recent International Labour Organization (ILO) report had shown that women aged between 25 and 54 years accounted for some 40 per cent of the workforce in Kuwait, the highest figure in the Arab world. The fact that the Constitution guaranteed women citizens the freedom to pursue a commercial or professional activity had led to a number of women occupying top-level positions both in Kuwait and abroad. Kuwaiti women also participated fully in the cultural, economic and artistic activities pursued by various national associations.

17. The recent decision by the Emir of Kuwait to grant Kuwaiti women full political rights under the law was evidence of commitment at the highest level to the consolidation of democracy, the achievement of gender equality and the participation of Kuwaiti women in all

aspects of civil life. The Government had enacted a number of additional laws with a view to empowering Kuwaiti women and placing them on an equal footing with men in the political decision-making process.

18. No one should ever forget the courage shown by Kuwaiti women during the struggle to liberate Kuwait from the oppressive Iraqi occupation.

19. The social and psychological suffering caused by Iraqi practices during the occupation had been exacerbated by Iraq's refusal to release Kuwaiti prisoners or to provide information as to their whereabouts. Iraq's recent decision to withdraw from cooperation with the Tripartite Commission established in that regard was a particular concern.

20. No information had ever been received about the seven Kuwaiti women prisoners detained by the Iraqi occupation forces. Kuwait urged Iraq to resume cooperation with the Tripartite Commission and to desist from the exploitation of a humanitarian issue for political ends.

21. The international community should not abandon the Kuwaiti prisoners and should make every effort to persuade Iraq to renounce its decision and to demonstrate good faith by bringing an end to an issue of vital humanitarian concern.

22. All international organizations should accord priority importance to efforts of developing countries to involve women fully in the design and implementation of development policies, while Governments should enact national legislation aimed at granting women equal rights with men.

23. **Ms. Ashipala-Musavyi** (Namibia) noted that the 1999 World Survey did not provide very much information on the situation of African women. In that sense, it was but another illustration of the marginalization of African countries and African women by the globalization process. Trade liberalization had resulted in a loss of employment in Africa, particularly among women, as a result of the shift away from labour-intensive industries; education and training were imperative in order to facilitate women's absorption in the newly created manufacturing jobs. Women's presence in the export manufacturing sector had also diminished with the increase in higher value-added, more technologically sophisticated export products which involved capital-intensive production technologies.

24. The liberalization of agriculture had affected the situation of women and altered the division of labour between the sexes; that, in turn, had had an impact on food security and the welfare of farming households. In Namibia, realizing the importance of subsistence production by women for food security, the Government had adopted a new national agricultural policy to support such production.

25. The Gender Unit of the Southern African Development Community (SADC) was helping national organizations of its member countries to carry out their programmes, particularly through its Women in Business-SADC Network. In addition to improving women entrepreneurs' access to credit and technical training, the Network was organizing the First Trade Fair in Southern Africa, to be held in Namibia in 2000. The objectives of the Fair were to overcome the feminization of poverty by creating business opportunities for women; to encourage government, bank and business leaders to recognize women entrepreneurs as equal partners in the economy; to share indigenous technologies from each country; and to create a forum for the exchange of ideas. SADC hoped that women from other parts of Africa and the world at large would participate in its activities.

26. **Ms. Elson** (United Nations Development Fund for Women) said that the Fund was in favour of strengthening institutional mechanisms within the United Nations to undertake research and training for the advancement of women, particularly in view of the forthcoming five-year review of the Beijing Platform for Action. UNIFEM had a programme to translate political commitments on gender equality, undertaken at the major global conferences of the 1990s, into concrete actions at the national level. The Programme had three objectives: strengthening women's economic capabilities and rights; establishing governance and leadership; and promoting women's human rights and eliminating violence against women. UNIFEM was working to improve technical know-how in over 100 countries, using a number of key strategies, such as building synergetic partnerships; increasing capacity to undertake women's empowerment and gender mainstreaming initiatives; and improving and increasing the knowledge base on lessons learned. In implementing its mandate to support gender mainstreaming in the resident coordinator system, UNIFEM focused on building partnerships among United Nations organizations and between those organizations and government and non-governmental organizations, and on creating opportunities for individuals and groups using innovative and catalytic approaches to sharing experiences and lessons learned.

27. In regions throughout the world, a gender perspective had been incorporated in trade agreements, and women's economic literacy had been strengthened. The Council of Ministers of the Common Market of the Southern Cone (MERCOSUR) had established a Specialized Group on Women to advise the Council on public policies for gender

equality; women's organizations in Africa, the Pacific and the Caribbean were being consulted in connection with the renewal of the Lomé Convention in 2000; and the Intergovernmental Authority on Development (IGAD), which included Djibouti, Eritrea, Ethiopia, Kenya, Sudan and Uganda, had established a Women's Desk funded by UNIFEM.

28. UNIFEM was working with other United Nations organizations to eliminate gender-based violence in the African, Asia-Pacific and Latin American and Caribbean regions. Concrete results included the endorsement by over 1,000 national non-governmental organizations and municipal groups of an anti-violence campaign in Brazil; the adoption of a law by the Senegalese Parliament prohibiting female genital mutilation, and India's request to UNIFEM for assistance in incorporating a gender perspective in its police training curriculum.

29. Increasingly, UNIFEM was focusing on the economic aspects of gender-based violence; in that connection, it was supporting the work of Governments seeking to combat trafficking in women and girls through innovative community-based initiatives that provided alternatives and other services for victims. UNIFEM also managed a Trust Fund in Support of Actions to Eliminate Violence against Women. Thus far, it had invested more than $3 million and supported more than 70 projects in nearly 50 countries. With support from the John D. and Catherine T. MacArthur Foundation and the United Nations Foundation, a learning component of the Trust Fund would be disseminating information on effective strategies for combating violence against women and girls.

30. In Central America, South-East Asia and South Asia, UNIFEM supported strategies for incorporating gender in national statistics and census exercises. The training it had provided to census-takers in Pakistan had ultimately increased the awareness of women's contribution to the national economy and led to the establishment of a regional South Asia forum to share expertise and experiences on census exercises.

31. The Fund had devised innovative approaches to building the gender-awareness capacities of Governments, non-governmental organizations and other United Nations organizations. With the United Nations Population Fund (UNFPA), it had made gender expertise available in 10 countries; with the United Nations Development Programme (UNDP) and United Nations Volunteers, it had assigned gender specialists to 14 countries; and, in addition to its own 11 regional programme advisers, was providing gender advisers to the resident coordinator system. In Mozambique, UNIFEM and UNFPA had launched an initiative to implement a post-Beijing action plan within the United Nations Development Assistance Framework (UNDAF).

32. In an effort to increase and improve the knowledge base on women's empowerment and gender mainstreaming, the UNIFEM regional offices would be disseminating manuals on gender mainstreaming and women's empowerment. In partnership with UNDP, UNIFEM was leading an initiative of the Inter-agency Committee on Women and Gender Equality on useful practices in implementing the Beijing Platform for Action and gender mainstreaming. The database, which contained input from a number of other United Nations agencies, would be available on the Internet. UNIFEM would also be publishing a new biennial publication known as "Progress of the World's Women", which would stress the role of statistics and data in advocacy for gender equality.

33. **Ms. Silović** (United Nations Development Programme (UNDP)) said that the 1999 World Survey on the Role of Women in Development: Globalization, Gender and Work (A/54/227) would be particularly useful to UNDP in its preparations for the review processes of the Fourth World Conference on Women and the World Summit for Social Development. The Programme's renewed focus on governance would ensure that its policy dialogue and operational activities supported and fostered progress towards gender equality. The task of UNDP was to help women seize opportunities and work with Governments and other partners to minimize the negative effects of globalization. One way that UNDP was doing that was through its programme on gender and macroeconomics in which it was researching innovative responses and sharing the outcomes with Governments and operational units.

34. The Programme's work on gender and poverty was also relevant. UNDP emphasized working with governance institutions to ensure maximum entitlements and access to resources for the poor, including the gender dimensions of those entitlements and access channels. It also sought to build the capacities of the poor to maximize their own entitlements.

35. During the current year, UNDP had completed a planned series of extensive consultations with all country offices on the individual and organizational capacity needed to mainstream gender-inequality concerns. The results of that exercise were contained in a report entitled "Building Capacity for Gender Mainstreaming: UNDP's Experience". Throughout that process, the Programme had cooperated with UNIFEM and the International Research and Training Institute for the Advancement of Women (INSTRAW). The

support and contributions of most of the Programme's development partners, which included over 80 Governments, had been very helpful. A direct result of the consultations had been the strengthening of the Programme's organizational capacity for effective gender mainstreaming. Gender mainstreaming strategies were in place in an estimated 20 per cent of country offices, and in many programme countries gender-equality briefing kits had been prepared.

36. One area that posed particular challenges to a gender-mainstreaming agenda was that of tracking and measurement, which was closely related to ensuring full accountability. UNDP had just completed its first year of implementing the Strategic Results Framework, its new mechanism for tracking and reporting on achievements in each of its priority areas. A major challenge in that process had been to reflect the integrated character of operational activities, while avoiding double and triple counting of budgetary allocations.

37. **Ms. Núñez Mordoche** (Cuba) said that Cuba firmly supported the work of INSTRAW, which was one of the few United Nations agencies situated in a developing country. It was necessary to do everything possible not only to maintain and improve the Institute but, above all, ensure that it functioned in a way that made it accessible to all developing countries.

38. Her delegation appreciated the contributions that donors had made with a view to improving INSTRAW, especially the use of modern technology, such as the Internet. While such technology would undoubtedly improve the work of the Institute, they could not substitute for more traditional approaches that involved human contact. Moreover, INSTRAW should be financed from the regular budget of the United Nations, since voluntary contributions could not support the operation of such an important United Nations agency.

39. **Ms. Aftab** (Pakistan) said that although more women had been incorporated into employment, they usually had to accept conditions inferior to those of men. While the so-called trend towards the flexibilization of labour had expanded the ranks of women in paid employment, much of the employment created had involved irregular forms of work that were low-paying and insecure and had few prospects for training and promotion. Flexibilization and informalization meant that many of the costs of market volatility and economic recession were borne by women who were the most vulnerable workers since they were less likely to be covered by labour regulations dealing with social and employment security, especially in developing countries. In times of economic difficulty the family became the welfare provider of the last resort. Since women had primary responsibility for the care of the home and family, the demands placed on them appeared to have increased as a result of reductions in social sector expenditure.

40. Developing countries, including Pakistan, had repeatedly drawn attention to the negative impact of globalization and had questioned the so-called "inevitability" of that process. Their concerns had remained, for the most part, unanswered. In his report (A/54/227), the Secretary-General proposed a "gender-aware policy agenda". While many of the Secretary-General's recommendations were useful, they did not go far enough in addressing the fundamental problems and issues that globalization had created for women in development. Those problems required a more rigorous and in-depth analysis of globalization, its dynamics and the forces that continued to shape it both as a theoretical construct and as a process. Such an analysis could form the basis of a real discourse on policy choices.

41. **Mr. Ayari** (Tunisia) said that since its independence, Tunisia had made the principles of respect for human rights and the promotion of women's rights an integral part of its domestic policy. In order to establish true equality between the sexes and strengthen women's rights, Tunisia had amended its four major codes: the Personal Status Code, the Nationality Code, the Penal Code and the Labour Code. The new amendments to the Personal Status Code provided that spouses should assist one another in running the household and in child-rearing. The amendments also confirmed the mother's guardianship rights and established a fund guaranteeing payment of support for divorced women and their children.

42. The Labour Code contained a general article on non-discrimination between men and women, and persons who did not respect that principle were subject to penalties. In the area of education, the law provided for obligatory and free primary education for all citizens, which made it possible to slow down the drop-out rate among rural girls. In 1997, 99 per cent of six-year-old Tunisian girls had been enrolled in school. In secondary education, girls accounted for 48 per cent, and in higher education, 48.5 per cent of the total student body. With a view to achieving equality, Tunisia had established mechanisms to implement and follow up its measures to improve the economic and social status of women.

43. Tunisia's strategy to promote women's rights was based on strengthening the principle of equality and partnership between the sexes in order to ensure equal

opportunities in all fields and encouraging women to participate fully in development. Tunisia was convinced that the advancement of women would contribute to the advancement of humanity as a whole, and reaffirmed its commitment to the implementation of the Beijing Declaration and Platform for Action and supported all efforts to promote and strengthen the status of women and their role in economic and social development.

44. **Mr. Maruyama** (Japan) said that the advancement of women was a high priority for Japan as it sought to achieve the goal of poverty eradication. To that end, the Japanese Government had launched its Initiative on Women in Development, which attached special importance to improving women's educational standards, improving women's health and promoting economic and social participation. The Government of Japan intended to promote the Initiative in a comprehensive manner, bearing in mind the interrelationship between those three important areas.

45. It was essential that women should participate in economic and social development on equal terms with men and share equally in the benefits provided, thereby ensuring that development would be balanced and sustained. To that end, the Government of Japan had established the Japanese Women in Development Fund at the Gender in Development Programme of UNDP in 1995, where it had already established the Japanese Human Resources Development Fund in 1986. The newer Fund was intended to serve as a catalyst for promoting and supporting women's participation in economic and social life and, over the long term, for building capacity for sustainable human development, particularly for gender equality and the empowerment of women. As of 1998, Japan's contributions to the Fund had totalled $7.9 million. In 1999, the Government of Japan would contribute about $3 million to the Women in Development Fund, along with $10 million to the Human Resources Development Fund. Japan hoped that full use would be made of the Women in Development Fund to promote mainstreaming of gender equality in development activities in developing countries. While Japan's assistance in that field already exceeded $600 million a year, it would make efforts to increase the support it provided for the implementation of its Initiative on Women in Development.

46. **Mr. Bamexon** (World Food Programme (WFP)) said that WFP had made vigorous efforts to mainstream a gender perspective in its programmes. A gender perspective had been introduced in recent policy papers and in the provision of humanitarian assistance for complex emergencies and natural disasters. As WFP moved from a women-in-development approach to a gender-mainstreamed approach, it was concerned that too much mainstreaming could result in the disappearance of a qualitative focus on gender issues and women's empowerment. Moreover, although efforts were being made to modify behaviour patterns and institutional structures, not all staff, counterparts and implementing partners supported gender equality. Thus, WFP might not be able to meet the ambitious targets it had set for itself.

47. While globalization could bring many gains for women, it would not in itself eliminate gender inequalities. The extent of poverty, which was becoming increasingly feminized, was a good example of the lack of attention to gender issues at the macroeconomic policy level in spite of the Beijing Platform for Action. Moreover, women were often invisible in national statistics since many of them were active only in the informal economy.

48. The role of WFP in influencing globalization was marginal, since the Programme did not usually intervene at the policy level. However, WFP did endorse the strategy of investing in women's capacities, particularly through "food-for-training". To the extent possible, that included self-esteem-building and leadership training, using information tools where appropriate. Together with other partners, WFP lobbied for more attention to women's technological needs for improved food production. It also urged Governments to develop macroeconomic policies that addressed the gender dimension in poverty alleviation.

49. One of the reasons WFP invested in women was the intimate link between food security and poverty. When WFP invested in women, it found that women earned more and were more confident about their earning power; women and their households ate more and better food; women challenged their gender-based oppression; women became entrepreneurs and gained access to development; and poverty and hunger were reduced. The Programme's Action Plan on Commitments to Women set concrete targets to ensure that at least 25 per cent of its economic resources, usually through food-for-work, went directly to women in the short term and that women had a voice in deciding what projects they wanted for long-term benefits.

50. WFP was committed to educating girls and women and had undertaken to provide 50 per cent of its education resources to girls, even in countries where the gender gap was greatest and the task was the most difficult. It had pioneered its well known Take-Home Rations Programme for Girls, which enabled parents to send girls to school while offsetting the opportunity cost through a take-home food ration for families who kept their girls in school. That approach was currently being evaluated. The Programme's new policy, called "Enabling Development", included, as

one of its five strategic areas, education and training, especially for women.

51. WFP insisted that women should have a voice in decision-making about food, especially food distribution, in the community and in the household. While the Programme had ensured that women were members of food-management committees, women without leadership training often had no idea how to engage in food management. Without leadership training, the desired results would not be achieved.

52. One way to encourage women's participation was through the presence of more female staff, who could talk to women. During the post-Beijing period, WFP had begun to redress the gender imbalance among its professional staff, and women currently accounted for 32 per cent of professionals. That had been a result of the Programme's policy that every second new recruit should be a woman and that recruitment officers were held accountable for achieving that goal. In addition, one WFP staff member had been assigned the task of developing strategies for recruiting women. The Programme was committed to investing in women in order to provide them with a voice in decision-making since that would promote economic asset-building and empowerment for poverty eradication.

53. The Programme was preparing seriously for the Beijing review process and was participating at a high level in regional preparatory meetings. At the same time, it was convening its gender focal points in its own regional meetings with a view to coming up with a strategy for meeting the WFP Action Plan on Commitments to Women by 2001.

The meeting rose at 4.40 p.m.

United Nations A/C.2/54/SR.28

General Assembly
Fifty-fourth session

Official Records

Distr.: General
20 December 1999
English
Original: French

Second Committee

Summary record of the 28th meeting
Held at Headquarters, New York, on Monday, 1 November 1999, at 10 a.m.

Chairman: Mr. Olhaye ..... (Djibouti)

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The meeting was called to order at 10.15 a.m.

Agenda item 97: Macroeconomic policy questions

(a) High-level international intergovernmental consideration of financing for development (A/54/28)

1. **Mr. Sharma** (India), Vice-Chairman of the Ad Hoc Open-ended Working Group of the General Assembly on Financing for Development, introduced the Working Group's report (A/54/28) prepared pursuant to General Assembly resolutions 52/179 and 53/173. The Working Group had made several recommendations concerning the scope, agenda and form of the high-level intergovernmental event to be held in 2001. The event should address national, international and systemic issues relating to financing for development in a holistic manner in the context of globalization and interdependence. Its scope should encompass the topics of domestic resources for development, international resources, international financial cooperation including official development assistance and debt relief, prevention of international financial crises and the special needs of developing countries with difficulties in attracting financing for development.

2. The Working Group had identified eight agenda items for the event: mobilizing domestic resources for development; international private financial flows for development; international financial cooperation for development; external debt; financing for development and trade; innovative sources of financing; governance of the international monetary, financial and trade systems; the interrelationship between major elements and other special topics. The Working Group felt that the event should take the form of a high-level intergovernmental meeting, at least at the ministerial level. The agenda should attract the attention of various ministries, for example, of finance, commerce, development and foreign affairs. Both the final event and the preparatory process should involve participation by all stakeholders, as well as the International Monetary Fund (IMF) and the World Bank. The event could be linked with the General Assembly and include a high-level segment of three to four days' duration, and it should be given the necessary publicity. The Working Group viewed the preparatory process as essential and felt that it should be open to all States Members of the United Nations, members of specialized agencies and other observers. A report on the progress of work should be submitted to the General Assembly at its fifty-fifth session.

3. **Mr. Desai** (Under-Secretary-General for Economic and Social Affairs) said that what the major events organized by the United Nations during the 1990s had in common had been the mobilization of support from a great variety of institutions, including ministries of the environment, education, health and, on occasion, agriculture, which had enhanced the credibility of the events. To achieve that result, the event must devote attention to measures to be taken at the national level. The second common characteristic of the events of the 1990s was that, while they aimed at intergovernmental agreements, they also welcomed the contributions of the various actors of civil society, thereby enhancing their significance in the eyes of the public. For the event to be a success, the preparatory process must be constructive. Care should therefore be taken in deciding on the type of preparations to be made.

4. **Mr. Insanally** (Guyana), speaking on behalf of the Group of 77 and China, said that it was urgent to relaunch cooperation for development since otherwise the promise of globalization was likely to become a mirage for the vast majority of countries.

5. The persistence of underdevelopment in an era of prosperity was unjustifiable. In the absence of a stable and secure global environment for economic growth and development, the socio-economic advances countries had made could be rapidly swept away, as the Asian financial crisis had shown. Without denying national responsibility for development, one could not ignore the importance of international action in fostering social and economic progress.

6. A consideration of ways and means of financing development represented an opportunity for building a new global partnership for development, an opportunity the international community should not fail to seize, under the leadership of the United Nations. The Group of 77 and China supported the recommendations of the Working Group concerning the form, scope, agenda and preparatory process of the proposed event.

7. It was now time to consider more closely the nature and structure of the preparatory process, the bodies to be invited and the modalities of their participation, and, even more important, the form of the final event, the level of intergovernmental participation and the nature of the documents to emerge from it. The Working Group's report offered useful guidelines in that regard. The Group of 77 and China felt that the agenda for the event should be broad enough to attract the attention of all stakeholders at the national and international levels. The Bretton Woods institutions, the World Trade Organization (WTO), regional

institutions, the United Nations Conference on Trade and Development (UNCTAD) and other United Nations organizations should participate in the preparatory process, the final event and the implementation of the agreed outcomes.

8. During the high-level segment of the Economic and Social Council in July 1999, the Group of 77 and China had suggested the creation of a task force composed of representatives from the United Nations, IMF and the World Bank to determine ways in which cooperation could take place at all stages of the process, namely, the preparation phase, the final event and the follow-up. The General Assembly should call the event to the attention of the various bodies, programmes and agencies of the United Nations so that they could begin to consider seriously their own involvement. It was also important to give attention to the modalities and implications of the participation of non-governmental organizations in the event. In that regard, it might be useful to request advice from the NGO Liaison Office and perhaps from the organizers of the World Economic Forum at Davos. The Secretary-General should be asked to consult with the non-governmental organizations and to make proposals concerning their participation in the event.

9. The time had come to address practical details. The resolution to be adopted by the Second Committee should clarify the procedural steps to be taken to establish the preparatory committee, which should begin its work no later than January 2000.

10. **Ms. Rasi** (Finland), speaking on behalf of the European Union, said that Bulgaria, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia, along with Cyprus and Malta, aligned themselves with her statement.

11. In selecting the priority themes to be addressed at the high-level event, it was important to choose areas where greater understanding of the complex issues of development financing might be achieved; where solid results might be attained; where the impact of the measures taken could be maximized; and where special emphasis could be given to the specific problems faced by the least developed countries.

12. The European Union attached great importance to the roles of various forms of financing for development and to measures to strengthen their complementarity. The role of official development assistance, its forms, effectiveness and relationship to other sources of financing for development needed to be further clarified. It was also important to pursue new sources of financing and innovative mechanisms to enhance the private sector's involvement in sustainable development, and the Bretton Woods institutions, notably the World Bank, should work with the United Nations and Governments in that area. The European Union was open to an innovative format for the final event. It would like to see IMF play a complementary role to the World Bank.

13. Governments had already proposed the establishment of a joint task force to facilitate the participation of the Bretton Woods institutions in the preparatory phase. It was important to ensure the representation of organizations and Governments in the joint task force and to set reasonable time-frames for the completion of their work.

14. The European Union was convinced that a truly extensive partnership was crucial to the success of both the preparations and the event. Participants should include a range of international organizations, including financial institutions such as IMF, the multilateral development banks, the organizations of the United Nations system, WTO and other relevant organizations, together with representatives from the private sector, non-governmental organizations and the broader civil society.

15. National institution-building and national stability were essential to the creation of an enabling environment for development financing, economic growth, democracy and transparency. In order to create an environment capable of attracting development resources, development programmes should be national and should include the participation of a range of stakeholders, including at the grass-roots level.

16. **Mr. Osei-Danquah** (Ghana) said that his delegation associated itself with the statement made by the Group of 77 and China. The recommendations in the report of the Ad Hoc Open-ended Working Group of the General Assembly reflected three concerns: the convening of a worldwide event which would not repeat what had been said in other forums, and which would, first, emphasize the links between financial, monetary and trade policies and their impact on development; second, ensure the participation of all stakeholders, including the major multilateral institutions, the private sector and civil society; and third, draw the attention of the public to the leadership role of the United Nations.

17. The event on financing for development should have as its objective the creation of partnerships that would facilitate the mobilization of resources. In that regard, his delegation welcomed the support expressed by the World Bank and IMF. The realization of that objective would depend on progress achieved in such core areas as an integrated approach to issues of finance, trade and development and the implementation of the outcomes of the major United Nations conferences and summits of the 1990s.

18. A preparatory committee should be set up as soon as possible. His delegation supported a flexible approach which would ensure that any decisions taken had the support of the Bretton Woods institutions and would permit the elaboration of a comprehensive final document that stood a chance of being implemented. Many declarations, plans of actions and other agreements served merely as a reminder of the extent to which development actions had failed.

19. His delegation endorsed proposals to invite the Bretton Woods institutions and WTO to participate in the preparations as well as in the event itself and to ascertain how those entities might like to participate. It was important to receive responses from those bodies before the first session of the preparatory committee. UNCTAD should also take an active role. Such a convergence of ideas between the United Nations and the Bretton Woods institutions had never before occurred, and full benefit must be derived from it. In order for the United Nations to assert a leadership role, it must be able to persuade other institutions to join the process. Marginal participation by those institutions would demonstrate, not the strength of the United Nations, but rather its lack of influence.

20. He commended the proposal on the establishment of a joint task force to facilitate the involvement of the Bretton Woods institutions in the event and recommended that UNCTAD should participate, on behalf of the United Nations, in the efforts of the task force.

21. With regard to the event itself, his delegation favoured a Davos-type interactive exchange which was organized with sufficient flexibility to ensure interaction between ministers of trade, finance and foreign relations, the executive directors of the Bretton Woods institutions, United Nations officials, and representatives of Governments and the private sector. That interaction should lead to the conclusion of a partnership agreement with the private sector and the elaboration of a declaration or other document stipulating actions to be taken by developing countries, industrialized countries and multilateral institutions to achieve the event's objective.

22. **Mr. Gallagher** (United States of America) said that his Government was keenly interested in the dialogue on financing for development that the General Assembly had initiated in 1997. It welcomed the fruitful discussions held by the Working Group on financing for development, the open, thoughtful and serious nature of which should set the tone for coming discussions on a subject of key importance to development. The sessions of the Working Group had enhanced his delegation's understanding of the views of other countries on many aspects of financing for development. Those views had been transmitted to the competent authorities in Washington, where they had generated a considerable amount of debate and enabled policy makers to be more aware of the concerns of other countries.

23. In keeping with the step-by-step approach to financing for development it had always advocated, his delegation believed that the next step should be to reach agreement on a procedural resolution which would establish concrete measures for moving the process forward. To be successful, the high-level event in 2001 would require ensuring broad participation in both the preparatory process and the event, particularly by the Bretton Woods institutions (either through cosponsorship or some other mechanism), by other international and regional organizations engaged in financing for development, especially the regional development banks, which had extensive practical experience in the field, and by the private sector, which provided the bulk of the funding for economic growth throughout the world.

24. Secondly, it should be decided whether, at the current stage of the preparatory process, to retain the co-chair system, which had proved effective, to use a traditional bureau or an expanded bureau, or to choose another framework altogether. Although his delegation had no specific preference, it believed that the structure chosen should be constituted well in advance, so as to ensure membership continuity throughout the preparatory process and the high-level event. It also believed that an atmosphere of openness and transparency should prevail throughout the deliberations.

25. Thirdly, in the view of his delegation, it would be useful to establish a consultative group, such as a joint task force of the type recommended by the Economic and Social Council, which would work together with key partners to develop options for involving other actors in the financing for development process which could later be submitted to Member States. With regard to the scope and agenda of the event, his delegation agreed that the recommendations contained in the report of the working group should be followed, and that all aspects of financing should be considered, including the interrelationships among various types of financing and the means of ensuring that the funds released would contribute to the development objectives set by the world conferences of the 1990s. Finally, he would like to reiterate his delegation's strong commitment to working with other delegations throughout the preparatory process with the goal of mobilizing more resources for development.

26. **Mr. Chulkov** (Russian Federation) thanked the Ad Hoc Open-ended Working Group for its excellent report (A/54/28), which completely fulfilled its mandate. The preparatory process for the high-level intergovernmental event to be held in 2001 should involve international organizations, including the United Nations, and, because of its financial aspects, the Bretton Woods institutions. The preparatory process should consist of two stages: first, a programme or agenda must be defined; second, the format for the high-level event must be selected.

27. **Mr. Escanero** (Mexico), speaking on behalf of the Rio Group, said that the members of the Group attached particular importance to the Second Committee's work on macroeconomic policy issues because they had suffered greatly from financial instability and the effects of the international financial crises, including economic slowdowns, a drop in exports, especially commodities and semi-finished products, an increase in the balance of payments deficit and a decline in the volume of international reserves. Under such circumstances, the United Nations was the most appropriate international forum for debate on global economic problems. Recent financial upheavals and the problems of globalization should motivate the United Nations to seek solutions, in particular through concerted action of Member States to overcome the obstacles to development.

28. Since the adoption of General Assembly resolution 52/179, intergovernmental consultation and consideration of the topic of financing for development had made progress, but the work of the Ad Hoc Open-ended Working Group on Financing for Development had shown the need both to broaden and to deepen the debate. In the short term, it was imperative that the General Assembly should decide on the technical preparation for the high-level international event at its current regular session that would enable all the aspects of development financing to be examined, including the issue of public and private capital flows, the problem of public and private external debt, the overhaul of the international financial system and the creation of a favourable international environment and new and innovative sources of financing for development.

29. Because of the importance of the preparatory work and out of concern for consultation, a broad mechanism for consultation must be established among the specialized agencies, the United Nations regional commissions, the Bretton Woods institutions and, within their field of competence, the World Trade Organization and other intergovernmental organizations dealing with specific problems of financing for development, as well as the private sector, another important actor.

30. The regional dimension of that effort should not be neglected, and therefore high-level regional meetings should be organized with the participation of governmental and intergovernmental agencies in the areas of foreign affairs and finance, central banks, trade and social development. In that regard the Rio Group noted that, in implementation of General Assembly resolution 53/172 and with the support of ECLAC, the countries of Latin America and the Caribbean had held a high-level regional meeting in September in Mexico on the topic "Towards a more stable and predictable international financial system and the relationship between such a system and social development". High-ranking officials from the countries of the region, experts and distinguished representatives of the multilateral institutions in the financial and social fields had participated. The meeting had reaffirmed the urgent need to redefine the world financial system from a social development perspective and the central role of the United Nations in helping to redefine the international consensus necessary to such an overhaul. The States members of the Rio Group would do everything possible to ensure that the 2001 event would result in concrete measures to promote equitable development on a global scale.

31. **Mr. Rosenthal** (Guatemala), after associating his delegation with the statements by the representative of Guyana on behalf of the Group of 77 and China and of Mexico on behalf of the Rio Group, said that the report of the Ad Hoc Open-ended Working Group of the General Assembly contained in document A/54/28 had not fully conveyed the richness, depth and scope of its deliberations. Actually, the participants had reached two conclusions. The first, concerning the definition of the content and scope of the event planned in General Assembly resolution 52/179 was described thoroughly in the report. The second, which was equally important, if not more, was not mentioned: the recognition of the tremendous potential impact of that initiative on development.

32. Although the specifics were gradually being worked out through dialogue and consultation, the principal theme for the event, around which the discussions would centre, was still to be determined. In the view of his delegation, there was no doubt that financing in its most general sense — the mobilization of savings and their use for investment — was one of the pillars of sustainable development, given the crucial role it played in stability and growth in a spirit of equity. The range of topics proposed by the Ad Hoc Working Group was very broad because it encompassed matters pertaining both to internal policy and to international cooperation, and rather than artificially emphasizing one or the other of those two elements, it

described their complex interaction. The themes chosen also moved from theory — the various ingredients necessary to create conditions favourable to savings and investment — to practice, for example, how to prevent countries from going overboard with the fiscal advantages gained.

33. He drew attention to the last sentence of paragraph 15, "... the event will also address development through the perspective of finance". Indeed, from the United Nations point of view, in speaking about "financing for development", the emphasis should be placed on "development" because that was its legitimate area of expertise, and it should not venture into the areas of competence of other organizations. On the other hand, it was essential to ensure broad participation of institutions concerned with questions of finance, in particular the Bretton Woods institutions. Thus, it would be useful to specify the modalities for that participation, ranging from simply attending as observers to co-sponsorship of the event. Guatemala supported the establishment of a special task force to define that partnership, and believed that it should be composed of a dozen or so representatives of the Secretariat and the administration of the World Bank and IMF and their respective intergovernmental agencies and should focus on studying the limits within which the multilateral financial institutions could participate in activities, on the understanding that the final decision lay with Member States.

34. Guatemala would like to see the high-level meeting take the form of an international conference that would bring together ministers for foreign affairs, the economy, finance or international cooperation and would be held at Headquarters or in a Member State. Only the United Nations had the legitimacy and moral authority to convene such a diverse group of national actors. Guatemala had no objection to broad participation by the non-governmental sector in the conference, especially of organizations in the fields of banking and finance. Finally, it supported the establishment of a preparatory committee, which could take the form of an ad hoc open-ended working group, since it was clear that the success of the conference and its impact would depend on the quality of the preparatory process.

35. At the beginning of a new millennium, the international community had the opportunity to rethink its development activities. After taking up such themes as the environment, gender equality, the rights of the child and social integration, the United Nations could emphasize financing for development, which would enable it to make its development activities concrete, and in cooperation with other multilateral institutions, explore the best ways to provide humanity with decent living conditions.

36. **Mr. Tudela** (Peru), associating his delegation with the statement made by the representative of Guyana on behalf of the Group of 77 and China, and by the representative of Mexico on behalf of the Group of Rio, said that the question of financing for development generated great expectations in both developing and industrialized countries, particularly, since it had been established more clearly that global poverty was increasing for several reasons — inadequate domestic economic policies, financial crises, natural disasters and conflict escalation. Global economic growth had amounted to an average of five per cent during the 1990s; that was two per cent below the goal and, more serious still, following the setbacks of 1997, it had plateaued out at two per cent since 1998. In the framework of the Fourth United Nations Development Decade, it had been recognized that economic reactivation depended on domestic and foreign financial resources. Although, the flow of foreign capital towards developing countries had increased at the start of the 1990s, the Asian crisis had caused it to decline abruptly. To reduce poverty, it was necessary to begin by alleviating the developing countries' debt, particularly, that of the heavily indebted poor countries (HIPC), hence the importance of the Heavily Indebted Poor Countries Debt Initiative, the Cologne Initiative and statements by the leaders of the Bretton Woods institutions. Another significant factor was the economic and financial openness policies of medium-income countries which, in many cases, had been able to reactivate their economies and markets, even though the financial crisis, globalization and natural disasters had a negative effect on their progress. Peru acknowledged the efforts of both the United Nations Development Group and the United Nations in the area of development assistance.

37. Since development required stability and predictability, Peru joined other States in calling on the developing countries to eliminate protectionism in trade and services; it hoped that the international community would study the mechanisms of capital flows that were so abrupt that they destabilized some countries. The crisis was global and the solution should be global also. States should attempt to anticipate crises and ensure that the Bretton Woods institutions took the necessary restructuring measures. The United Nations was the only international organization able to forge a consensus on ideas and the courses of action to be taken with respect to development and other global issues, although the question of financing for development needed to be approached in accordance with the commitments that the international community had already made.

38. The report of the Ad Hoc Open-ended Working Group of the General Assembly on Financing for Development (A/54/28) gave an interesting overall picture of national and

international problems relating to financing for development in the context of globalization and interdependence. Nevertheless, to place greater emphasis on the question of financing for development, it should be based on five key factors: 1) international resources, including foreign direct investment, trade and other private flows; 2) internal financing resources; 3) international financial cooperation for development and debt alleviation measures; 4) problems related to the monetary, financial and commercial systems and the role of IMF, the World Bank and WTO; and 5) countries' specific needs and concerns. With regard to the format, Peru favoured a high-level intergovernmental meeting to deal with all the topics, working in collaboration with the World Bank, IMF and WTO. The event should last no more than three days and it should be given great visibility, as public opinion was interested in solutions to the problem of poverty and how development could be financed.

39. **Mr. Al-Aujali** (Libyan Arab Jamahiriya) said that financing for development had special importance in view of the inadequacy and extreme instability of financial contributions to developing countries, which compromised their development and their integration into the global economy. All developing countries were affected by the dearth of capital. Furthermore, the least developed suffered from declining official development assistance, heavy indebtedness, falling export earnings owing to low commodity prices, virtually no foreign direct investment, and the effects of the structural adjustment imposed on them by IMF, which was why they had major difficulties in mobilizing domestic resources. The more advanced developing countries had also been hit very hard by the financial crises and sudden massive outflows of capital, which had severely affected the real economy.

40. The international financial system had serious inadequacies and did not take into account the interests and expectations of developing countries. All countries therefore agreed that it required fundamental changes. The main challenge was to restructure the international financial system so that it would respond to development needs. That was the context for the preparatory work for the high-level meeting, which would give all countries an opportunity to establish a frank dialogue that would lead to effective action.

41. Agreement still had to be reached on the nature of the high-level event, its agenda and the preparatory process. The high-level meeting should not be an end in itself, but should initiate a dialogue on issues of financing for development. The agenda should be balanced and give priority to development problems. Official development assistance, debt, investment and trade should also be included, in a coherent manner. The United Nations Secretariat should play a leading role in the preparatory process, particularly, entities that dealt with official development assistance, debt, investment and trade, especially UNCTAD and the regional economic commissions. The Bretton Woods institutions and WTO, as well as other stakeholders such as the private sector and non-governmental organizations, should also be invited to take part in the preparatory process, where UNCTAD would be the principal actor.

42. **Ms. Krishna** (India), associating her delegation with the statement made by the President of Guyana on behalf of the Group of 77 and China, said that financing for development would be an issue of crucial importance for the credibility of the United Nations in the coming decades. In the 1990s, the international community had painstakingly negotiated a set of priorities in the framework of the major conferences on the environment, population and development, social development, habitat, and women and development. At the very moment when the United Nations was completing the five-year review of many of those conferences, the inadequacy of the resources mobilized and the apathy of international cooperation even in priority areas had become evident, hence the importance of the current exercise.

43. Recent crises, including the Asian crisis, had recalled the intolerable human and social cost of the lack of international institutional frameworks and the systemic shortcomings. Following the abrupt decline in capital flows to South-East Asia, more than 13 million people had lost their jobs and real wages had fallen by 40 to 60 per cent. Even though there were signs of recovery and the indicators were gradually returning to normal, it should not be forgotten that much more time would be needed to remedy the human tragedies. Moreover, the financial crises appeared to be increasingly frequent and more severe and it was beginning to be understood that they were the result of the malfunctioning of international capital markets and that global action was needed to overcome them. Some people also believed that the social and human costs were the price to be paid for the additional prosperity brought by globalization and liberalization.

44. Globalization had opened up many new opportunities around the world, through increased trade, the development of new technologies, investment and expanding communications. However, it guaranteed nothing with regard to the activities crucial to social and human development, such as education, health and environmental protection, for which the market did not provide. As States retreated from an economic environment marked by the frenetic pursuit of ever more efficiency and competitiveness, the social and political freedom of action of Governments

decreased, resulting in greater concentrations of wealth and power. And, as the recent financial crisis had demonstrated, the market was far from infallible and was prone to miscalculate risks, thereby feeding financial instability. Finally, because of the irresistible advance of globalization, the gap between winners and losers only continued to widen.

45. The real challenge for the international community was not to stop the inexorable march of global markets but to review the institutional and systemic frameworks within which they functioned. Mechanisms should be devised whereby all Governments, particularly those of the vulnerable developing countries, could participate in shaping the international financial architecture so as better to manage economic phenomena and prevent crises. Such a course of action was also necessary in order to meet the urgent need for coherence among international trade, financial and monetary systems. A unique opportunity to do so had arisen at the current time, when multilateral trade frameworks were under review, particularly the Uruguay Round Agreements, and when financial institutions were being restructured and reformed. As capital markets grew exponentially, it was increasingly difficult to distinguish them from the trade in goods and services. Clearly, a rule-based multilateral trading system could no longer coexist with mechanisms that tended towards anarchy and instability in the international financial system. It should not be forgotten that the International Monetary Fund had been created in an effort to ensure the financial stability without which the creation of the current multilateral trading system would not have been possible. The problems of external debt, official development assistance and innovative sources of funding had now to be added to those of reshaping the financial architecture and of coordination between trade and finance.

46. The Working Group on financing for development had succeeded in creating a climate of confidence. It had reviewed all the issues to be addressed in the agenda for the event in 2001 and defined the modalities of the preparatory process, which, in order to ensure a holistic treatment of all components of financing for development, should be carried out at all levels, including subregional and regional levels, and be able to call on expert groups to deal with specialized issues. Even more important, the exercise should be guided by the spirit of cooperation that had characterized the negotiations on General Assembly resolutions 52/179 and 53/173 and the work of the Working Group on financing for development.

47. **Mr. Gerus** (Belarus), said he favoured the convening of a high-level event on financing for development. He welcomed the report of the Working Group, which had performed its task well despite the complexity of the issues it had examined. Its recommendations were well conceived and justified. Nevertheless, he regretted that the report had not included a clearly defined section on the form to be taken by the high-level event. That form should be decided upon by consensus, from among the many possible options, before the end of the fifty-fourth session of the General Assembly. It was imperative for States to be represented at the highest level possible at the event, without, however, excluding the participation of non-governmental organizations and the private sector. The outcome of the high-level event would be decisive for the development of States and for progress towards the solution of socio-economic and ecological problems during the first decades of the next century.

48. The Working Group was also to be commended for having drawn up balanced proposals, respectful of the aspirations of the various groups of States, including all those with economies in transition. The formulation of the agenda should provide for a review of ways to obtain and efficiently use national financial resources, to permit the participation of additional funding sources, and to re-establish the predictability of the international system of trade and finance, into which the developing countries and countries with economies in transition had rapidly to integrate themselves.

49. It would also be necessary to take a position on the possible outcome that the General Assembly would be expecting from the high-level event, as that outcome was the only means of confirming the practical utility of a high-level event of that type and was impatiently awaited in many quarters. The form to be used would by preference be the one that was guided by the rich experience acquired during the major recent conferences of the United Nations, although the unique character of the high-level event in 2001 should also be emphasized. Belarus would cooperate actively in the preparations for it.

50. **Mr. Hanif** (Pakistan) said that he associated himself with the statement made by the representative of Guyana on behalf of the Group of 77 and China. With respect to the high-level intergovernmental event on financing for development in 2001 whose modalities remained to be settled, his delegation advocated the holding of a stand-alone United Nations high-level meeting, with a comprehensive agenda, and further proposed that the elements annexed to the report of the Ad Hoc Open-ended Working Group of the General Assembly on Financing for Development should be adopted as the agenda of the meeting. He understood that it was perhaps not advisable to take final decisions about the form, agenda and scope of the meeting at the present stage, and that those issues should be left to the preparatory process to be launched in 2000. Nevertheless, it was possible to

examine the modalities for the participation of the International Monetary Fund, the World Bank, the United Nations Conference on Trade and Development and other relevant institutions in order to ensure their effective participation.

51. The high-level intergovernmental event on financing for development should launch a process of releasing resources for development from all parts of the global economic system, including the economic and financial sectors, foreign direct investment, enhanced official development assistance, and the fulfilment of all the internationally agreed targets for development. It should also ensure the creation of an enabling international economic environment. The event was about equity and the humanizing of globalization. It should be a true gesture of the international community's commitment to provide finances for development and the eradication of poverty.

52. **Mr. Suh Dae-won** (Republic of Korea) said that the globalization of the economy had been accompanied by growing concerns about its uneven and uncertain consequences and about the marginalization of developing countries. The Committee should therefore take up the subject of financing for development, and in particular it should decide on the form and substance of the high-level meeting scheduled for 2001. With regard to the form of the meeting, it was essential to guarantee the participation of all national and international stakeholders in both the event itself and the preparatory process. Cooperation with such organizations as the World Trade Organization and the Bretton Woods institutions was required in order to enhance synergies.

53. With regard to substance, the theme of mobilization of private resources for development financing was particularly important. Discussions should therefore focus on strengthening policy and institutional capacities at the national and international levels to promote trade and encourage foreign direct investment. The discussion should also address ways to assist developing countries to generate and apply modern information and communication technologies in support of their development objectives. The role of public financing was very important for poverty eradication. The continued decline of official development assistance was particularly worrisome in that connection. Accordingly, there was a need to reaffirm political commitments to reverse that trend and allow developing countries to address the challenges of globalization. Furthermore, the discussion should address the problem of external debt to find innovative funding mechanisms such as the clean development mechanism provided for in the Kyoto Protocol.

54. Institutional problems should be addressed in a comprehensive manner and the United Nations should help improve the international financial architecture, complementing action already taken by other international organizations. It should also work to promote transparency and accountability at the national and international levels. Lastly, there must be a strong partnership between North and South, between public and private sectors and among States, corporations, international institutions and individuals in order to address the multidimensional issues of financing for development and to harness the benefits of globalization. It should thus be possible for all relevant stakeholders to participate in the high-level event in order to advance the common aim of sustainable development.

55. **Mr. Lisk** (International Labour Organization) said that financing for development was directly linked with the mandate and work programme of the International Labour Organization (ILO), which was particularly concerned about the impact of the liberalization of capital on growth and job creation, as well as on the structure of employment, wage inequality and income insecurity. The most pressing issue was undoubtedly the reform of the international financial system. Globalization had shown that vulnerable and unstable financial systems were closely linked with economic crises and social problems.

56. The drop in aid contributions, especially the continuing decline in the share of net official development assistance in the gross domestic product of donor countries, had led to increased reliance on private loans on the international capital market. Recent events had shown how financial crises could be extremely contagious. From the standpoint of employment and social concerns, it was most important to find ways of resolving financial crises without having to go through severe economic contractions and a consequent sharp rise in employment and poverty. Reform at the international level would need to be complemented by changes in domestic policy aimed at reducing vulnerability to financial crises.

57. There was also a need for developing countries to establish transparent and well regulated financial systems, including mechanisms for monitoring and controlling short-term capital flows. Such financial systems should be complemented by a strong social dimension as a means for strengthening social protection, by introducing, for example, unemployment insurance or extending the coverage of social assistance. ILO strongly advocated the need for fully integrating labour and social policy issues with mainstream economic policy. The ILO Declaration on Fundamental Principles and Rights at Work could serve as an instrument

for enhancing social protection and contributing to more socially sensitive financial and economic policies.

58. **Mr. Fahmy** (Egypt) said that the question of financing for development was so important that it should be accorded the closest attention in the context of preparations for the high-level event that was to take place in 2001. The key idea that had gained favour within the United Nations system and the international economic institutions — that they should coordinate their efforts to achieve consistent, comprehensive development, taking account of every dimension, including the human — ignored, whether deliberately or not, the two essential factors, namely financing for development and the structural faults in the mechanisms of the world economy. The priority must therefore be to consider the two issues within the framework of preparations for the high-level event, rather than emphasize internal reforms thereby obscuring the prerequisites for any development. An objective examination of financing for development should involve every aspect of the question, avoiding any attempt to gloss over the serious structural faults in the world economic system. Any move to reduce the issue of financing for development to the mere implementation of the outcomes of conferences held during the 1990s, on the pretext that those outcomes constituted an international action plan for development, would proceed from a superficial vision which showed no understanding of the fundamental problems posed by development. The outcomes of the conferences undoubtedly provided a useful framework for considering development problems, but they could in no way replace an examination of the basic economic dimensions of development.

59. His delegation welcomed the constructive spirit displayed in the recommendations of the Ad Hoc Open-ended Working Group and hoped that the same spirit would prevail between the developed and the developing countries, in the awareness that it was impossible to achieve tangible results without the effective participation of developing countries and the acknowledgement of their interests in order to avoid new crises in the world economy similar to those over the past two years, which had been largely due to the non-participation of developing countries in decisions taken at the international level. His delegation also stressed the importance of participation by all the multilateral international economic institutions, without exception. All parties should participate in the preparatory process, through the bodies that had been established to that end. The United Nations had a decisive role to play in that regard, in conformity with the provisions of the Charter of the United Nations and as the principal international forum, the various bodies of which displayed the transparency and democracy necessary for the consideration of such questions.

60. **Mr. Chave** (Observer for Switzerland) said that his delegation associated itself with the idea of organizing a high-level international meeting in 2001 to examine the various aspects of financing for development. The meeting's programme of work should be well defined and should focus on national and international modes of financial support for development, so that the issue of direct financing for development could become part of a wider canvas including both economic policy and normative issues. The event should be the starting point of an appropriate and clearly structured reorganization of the current system of financing for development. The meeting should therefore direct recommendations not only to the multilateral institutions but also to bilateral institutions and the whole range of development actors, including national actors. The meeting, and the preparatory process, must bring together, in a spirit of openness and dialogue, all the main partners, including not only Governments and the relevant bodies of the United Nations system, but also the Bretton Woods institutions, the regional banks and the World Trade Organization. His delegation had noted the proposal that the meeting should be co-sponsored by the United Nations and other institutions, but it feared that such a step would result in the loss of precious time. There was considerable merit in following a more traditional and well established formula, which could then be enhanced and complemented in innovative ways. In any case, the necessary official decisions on starting preparations for the meeting should be taken before the end of the fifty-fourth session of the General Assembly, so that the organization of the meeting could start in 2000 with clear guidelines that would guarantee its success.

The meeting rose at 12.45 p.m.

United Nations A/C.2/54/SR.29

General Assembly
Fifty-fourth session

Official Records

Distr.: General
23 November 1999

Original: English

Second Committee

Summary record of the 29th meeting
Held at Headquarters, New York, on Monday, 1 November 1999, at 3 p.m.

Chairman: Mr. Olhaye ..... (Djibouti)

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99-82055 (E)

The meeting was called to order at 3.15 p.m.

Agenda item 100: Environment and sustainable development (*continued*) (A/C.2/54/L.16, A/C.2/54/L.17 and A/C.2/54/L.18)

Draft resolution on the World Solar Programme 1996-2005 (A/C.2/54/L.16)

1. **Ms. Critchlow** (Guyana), introducing the draft resolution on behalf of the Group of 77 and China, said that the use of solar energy was viewed by the Group of 77 and China as another step in the implementation of Agenda 21. She highlighted in particular paragraphs 6, 7, 8 and 9 and expressed the hope that the Committee would give it the widest possible support.

Draft resolution on the report of the Governing Council of the United Nations Environment Programme (A/C.2/54/L.17)

2. **Ms. Critchlow** (Guyana) introduced the draft resolution on behalf of the Group of 77 and China. There was a new paragraph 7, which read:

> "*Stresses* the importance of strengthening the Nairobi location of the United Nations Centre through, *inter alia*, enhancing the conference service facilities of the United Nations Office at Nairobi;".

The former paragraph 7 was now paragraph 8. She hoped that the draft resolution, which was aimed at enhancing the effectiveness of the Programme, in view of its critical role, would enjoy the fullest support of the Committee.

(d) Protection of global climate for present and future generations of mankind (*continued*)

Draft resolution on the protection of global climate for present and future generations of mankind (A/C.2/54/L.18)

3. **Ms. Critchlow** (Guyana), introducing the draft resolution on behalf of the Group of 77 and China, noted that specific paragraphs, in particular the sixth and seventh preambular paragraphs and paragraph 3, would be revised based on the outcome of the Conference of the Parties to the United Nations Framework Convention on Climate Change. However, since the issue was one of global concern, she hoped that the Committee would give maximum support to the draft resolution.

Agenda item 104: Globalization and interdependence (*continued*)

Draft resolution on the role of the United Nations in promoting development in the context of globalization (A/C.2/54/L.19)

4. **Mr. Talbot** (Guyana), introducing the draft resolution on behalf of the Group of 77 and China, drew attention to the fourth, fifth and sixth preambular paragraphs and to paragraphs 2, 3, 10, 11, 12, 13 and 14. He expressed the hope that the Committee would support the draft resolution.

Agenda item 97: Macroeconomic policy questions (*continued*)

(a) High-level international intergovernmental consideration of financing for development (*continued*) (A/54/28)

5. **Mr. Amaziane** (Morocco) said that recurring international financial crises, rampant poverty, inequality, trade barriers and external debt had all made the problem of financing for development even more urgent. Individual countries were primarily responsible for mobilizing the necessary resources for development and creating a political and economic environment that was conducive to productive and job creating investments. A political framework favourable to the establishment of the rule of law must be accompanied by sound economic policies to promote savings and combat corruption.

6. However, the international economic environment played an important and decisive role in that regard as a result of the increasing globalization sparked by information and communications technologies that had facilitated unprecedented capital movements. The international community must adopt equitable rules designed to channel capital to where it was most needed.

7. In addressing issues of international trade, the international community must also take into account the structural vulnerability of the economies of developing countries through a gradual liberalization of trade regimes, starting with commodities, for which those countries had a clear comparative advantage. In that connection, he was concerned at the resurgence of disguised protectionist measures whose sole objective was to limit the access of developing countries to international markets. Even as countries throughout the world called for greater justice and equity in international economic relations, trade barriers continued to hinder the development of developing countries, while the external debt continued to mortgage

their future. At the same time, official development assistance (ODA) had declined steadily.

8. Access to the markets of developed countries, the reduction in the external debt of heavily indebted developing countries, together with an increase in ODA, should be the key elements of any credible international policy designed to find a lasting solution to the problem of financing for development.

9. Efforts should be made to combine scientific and technical progress with principles of equity in such a way that the development model thus created would guarantee a decent life for the whole of humankind while respecting the planet's limits and capacity. He hoped that the high-level intergovernmental consideration of financing for development to be held in 2001 would make it possible to reform the international financial institutions and thus facilitate development throughout the world. In view of the nature of the issues to be addressed at the event, it should be attended by the most senior decision makers. Moreover, the decisions should be taken with the intention of giving them a firm and resolute follow-up by the Bretton Woods institutions, the World Trade Organization (WTO), Governments and the United Nations. The international community must seize the opportunity afforded by the event to crystallize the concept of the right to development.

10. **Mr. Wibisono** (Indonesia), speaking on behalf of the members of the Association of Southeast Asian Nations (ASEAN), said that during the Asian financial crisis, many developing countries had suddenly faced economic collapse after a decade of spectacular economic growth. The financial crisis had called into question the future of development financing. Likewise, the merits and shortcomings of the rush to liberalize developing economies and the validity of the Washington consensus were also being called into question.

11. The ongoing assessment of the Asian financial crisis involved the search for causes and for ways of repairing the crippled economies and preventing a recurrence of such crises. The global effort to resolve financial crises and reform the international financial system must recognize the fact that individual economies were at different stages of development and had different development priorities. A number of countries had introduced extensive domestic reforms to revive development and progress; however, ASEAN member States questioned the effectiveness of the current prescriptions designed to enhance efficiency and stability in financial markets while enhancing the capacity of the international financial institutions to contain and resolve crises. The complex question of revitalizing the economies was also a major challenge facing the international financial and monetary system.

12. The question of crisis prevention in the future revolved around the strengthening of the existing international financial architecture, including a closer and more coordinated monitoring of short-term capital flows. The recent discussions of the International Monetary Fund (IMF) on the setting of standards, transparency and the involvement of the private sector were a step in the right direction. Transparency should be extended to the international level, however, particularly to the decision-making processes of the Bretton Woods institutions. Standards and transparency should be applied equally to the public and private sectors. In particular, highly leveraged institutions with systemic significance should be subject to regular and timely disclosure requirements.

13. As far as the high-level international intergovernmental event was concerned, ASEAN supported the proposal of establishing a joint task force between the Economic and Social Council and Bretton Woods institutions as the first step towards involving the major stakeholders in the preparatory process leading to the final event.

14. Decisions must be taken at the current session on the establishment of a preparatory committee representing all regions of the world. As for the participation of stakeholders, the issue was how best they could be involved rather than whether they should be involved. The members of ASEAN supported the participation of such specialized agencies as WTO, the United Nations Conference on Trade and Development (UNCTAD), the regional commissions, regional banks and groupings, experts and the private sector. The highest possible level of participation also would give greater political weight to the conference outcome. As to the duration of the event, a week or less, including a two-day high-level segment, would be preferable.

15. He reiterated the importance of holding a self-standing event, perhaps in a conference format. With regard to follow-up, momentum had already begun to build through other related events, for instance the tenth session of UNCTAD, the Millennium Assembly and the five-year reviews of the global conferences. A time-frame for implementation of the outcome of the event as well as modalities for review must be part of the process.

16. **Mr. Dausa Cespedes** (Cuba) said that his delegation strongly supported the convening of a high-level conference on financing for development, for the purpose of creating an international forum for discussion of such topics as external

debt, the decline in ODA, diminished financial flows and the design of a new financial system to meet development needs.

17. The current financial and monetary system had not kept pace with the global economy, creating a dichotomy between a sophisticated, dynamic and globalized financial system and the lack of institutions having the capacity to meet the demands of that new world. It was not a question of adapting policies to the new conditions, but of creating new ones. Increased ODA flows were essential, as flows of private capital were usually short-term in nature and did not always meet the development objectives of recipient countries. Such assistance should also be given special treatment within the range of available financing modalities. More flexibility was needed in dealing with debtor countries, both the heavily-indebted poor countries (HIPCs), and middle-income countries. Debt negotiations could have a negative impact on development policy and a high social cost.

18. It would be essential to include trade on the agenda of the proposed conference, because of the paradoxical tendency, in an era of free trade, to impose such new and subtle trade barriers, as unilateral sanctions and laws with extraterritorial effect, in violation of international law. The United Nations was the best forum for discussion of such topics from a broad, universal and integrated perspective.

19. **Mr. Ibrahim** (Nigeria) said that for many developing countries, including Nigeria, the importance of financing for development could not be overemphasized, because there could be no development without financing. While national responsibility was a necessity, the growing role of global partnership to address the crucial issue of financing for development could not be ignored. A recent UNCTAD report showed that, despite the positive expectations of globalization, Africa remained the only region where ODA, though dwindling, was greater than the inflow of private foreign direct investment.

20. Nigeria desired meaningful development that would transform the lives of its citizens by raising their standard of living and enabling their children to look to the future with hope and confidence. Examples abounded, however, of developing countries which had borrowed huge sums of money to finance their development, only to end up with projects that were a liability and impeded the development of other sectors of the economy. For external financing to serve as a vehicle for poverty reduction and growth, it must take into account his country's greatest asset, an abundant supply of labour. The idea that only market forces should determine resource allocation had proven to be misguided in developing countries, mainly because of very low monetization of their economies. Economic considerations must be tempered with objective social realities.

21. In many developing countries, the infrastructure and human resource development sectors urgently needed injections of capital, yet the return on that type of investment would be relatively small and realized only in the long term. Consequently, mobilizing international private financial flows for those sectors continued to be difficult, requiring an appropriate balance between the investor's need for a quick profit and the need for people-centred sustainable development. Preparations for the proposed conference must take that challenge seriously, especially for the next millennium, where knowledge would become the single most important factor in determining the progress of nations.

22. Taking those recommendations into consideration, his delegation endorsed the proposal that the forum should be held at the ministerial level and should be preceded by at least two sessions of its preparatory committee. It was also vital to find a way to involve the private sector, as its entrepreneurial ability would ensure a successful outcome.

23. **Mr. Dogani** (United Republic of Tanzania), speaking also on behalf of the other members of the East African Cooperation, namely, Kenya and Uganda, said that the brief period of positive economic performance of African countries in the mid-1990s had been wiped out by a number of factors, yet, while the world had the resources and capacity to deal with it, the situation had regrettably been allowed to prevail. Many developing countries, particularly those in Africa, were lagging behind in the globalization process and had undertaken major macroeconomic policy reforms; nevertheless, they remained the weakest members of the global economy. Domestic capital formation in the region was low, owing to stagnation and decline in per capita income and weak financial institutions which had not channelled resources into productive investment.

24. ODA continued to be the most important traditional source of development financing, yet its recent decline had coincided with painful economic reforms. The countries of East Africa needed aid that would enhance their capacity for ownership of the development process. The twin processes of globalization and trade liberalization had also had a profound impact on their position in the global economy. They saw trade as a potentially dynamic force for accelerating growth and development, if technical support to the production sector and increased market access could be ensured.

25. The burden of external debt remained the major challenge to the development process in the region, and it was important, therefore, for the proposed conference on

financing for development to address that issue. A more flexible HIPC initiative and total cancellation of the debt of the least developed countries were called for. Many international financial institutions had long been associated with financing for development, yet the recent Asian financial crisis had called their credibility into question and exposed weaknesses. It would be desirable to consider reforming the international financial institutions in order to make them more responsible to the aspirations of developing countries. Since those institutions had been established long before many developing countries had become sovereign states, such reforms should ensure that their interests were adequately represented.

26. With respect to the final event to be held in 2001, it should be convened at the highest political level in order to inject the political will necessary for its success. His delegation urged the early launching of the preparatory process for the event.

27. **Mr. Gálvez** (Chile) said that the preparation of a high-level event on development financing was of great importance to his delegation. In order for the event to be successful, a clear and specific list of the questions to be resolved before the substantive discussions began was needed. The top priority was the establishment of a preparatory committee and the election of its bureau, which should be accomplished by the end of the current session or in early January at the latest. Next, the recommendations contained in paragraph 20 of document A/54/28 concerning the exact nature of the event and the modalities of participation should be discussed. The Working Group had decided that the active participation of the World Bank and the IMF was essential both in the final event and in the preparatory process, and the Committee resolution on the subject should address the modalities of that participation. It was also important that the preparatory process should be at a high level.

28. A decision must be taken regarding the convening of the conference at the current session of the General Assembly, and his delegation would support all efforts to reach an agreement in a spirit of consensus, understanding and solidarity among all delegations.

29. **Mr. Kolby** (Norway) said that, over the past few years, international efforts to mobilize increased resources for development had not yielded the intended results, as could be seen in the continued decline in ODA flows. At the same time, changes in the global economy had been dramatic, and new opportunities and challenges in terms of development financing had been created. It was therefore timely and necessary to bring together all stakeholders to examine how more effective use could be made of existing and emerging sources of financing in order to increase the overall resources available for development.

30. The approach to the issue of financing for development must be broad-based and flexible and should consider the range of existing and potential sources, with a focus on the needs and development strategies of each country. That should not lead to any reduced emphasis on increasing levels of ODA, however, as such assistance would remain an important source of reliable development financing, in particular for countries and sectors where attracting private sector investment was difficult and ways to make it more effective should be discussed.

31. For the high-level event to be successful, it would be vital to attract the attention and participation of key ministers, private sector and other relevant stakeholders, as well as multilateral institutions. The joint task force between the United Nations and the Bretton Woods institutions suggested at the substantive session of the Economic and Social Council could be a useful vehicle to facilitate their further involvement in the process. In addition, ways and means should be considered to include other important actors, for instance WTO and the private sector.

32. **Mr. Valdivieso** (Colombia) said that the resolution to be adopted under agenda item 97 should be limited to procedural matters and that the General Assembly should confine itself to facilitating the organization of the preparatory process for the high-level intergovernmental event to be held in 2001.

33. Despite the interesting discussions of the Working Group, it remained unclear whether the objectives of the event should include defining the role of the Organization in financing for development, establishing a long-term relationship with the Bretton Woods institutions and the private sector or engaging in a conceptual analysis of the issue. Those questions should be considered during the preparatory process.

34. The General Assembly should make a formal statement calling for the involvement, from the earliest stages of the preparatory process, of the Bretton Woods institutions, the private sector, the regional commissions, banks and national experts. In particular, he suggested that the Economic Commission for Latin America and the Caribbean (ECLAC), the Inter-American Development Bank (IDB) and the Andean Development Corporation (ADC) should be invited to participate. The preparatory process should begin with a short meeting to elect the Bureau so that substantive discussions could begin by defining the nature, objectives and agenda of the final event.

35. **Ms. Leonce-Carryl** (Saint Lucia) said that her delegation supported the concept of a high-level intergovernmental event that would address national, international and systemic issues relating to financing for development in a holistic manner in the context of globalization and interdependence. Trade was a major source of her country's development financing. For that reason, it was important to ensure the active involvement in the event of the monetary, financial and trading bodies, including the Bretton Woods institutions, WTO, UNCTAD, regional economic commissions and banks and the private sector. In that regard, she hoped that UNCTAD, in cooperation with regional institutions, would continue to support developing countries in their preparations for the event and that special attention would be given to the needs of small vulnerable economies and small island developing States such as her own.

36. With respect to the form of the event, her delegation was in favour of a self-standing, high-level conference under United Nations auspices. None of the Organization's previous conferences had been co-sponsored, and her Government was opposed to giving the World Bank that role. Although the conference could consider the question of financing the implementation of United Nations conferences, that should not be the focus or the outcome of the final event. Furthermore, previous United Nations conferences had developed social rather than development agendas; there could be no development agenda without full consideration of financial, monetary and trade issues at the national, international and systemic levels.

37. The report of the Working Group (A/54/28) provided a good basis for the preparatory process, which should lead to the holding of an organizational session of the preparatory committee by January 2000 and to a substantive session by the middle of that year.

38. **Mr. Shen Guofang** (China) said that the developing countries, which had been unable to benefit from globalization, called on the international community to help them to solve their problems in the interests of humanity as a whole and had high hopes for the international intergovernmental forum on financing for development.

39. Without strong outside support, the national efforts of developing countries would not be sufficient to extricate them from their current situation. Effective measures must be taken to channel private capital towards development and to ensure the safe, orderly operation of the international financial market through reform of the international financial system. He welcomed the European Union's call for donor countries to meet the ODA target of 0.7 per cent of gross national product (GNP) and hoped that the downward trend in ODA would be reversed.

40. The continuing plunge in the price of primary commodities and increasing protectionist measures directed against the products of developing countries were a serious problem, since trade had long been an important source of financing for development. He urged the international community to establish a rule-based, equitable and transparent multilateral trading system and said that he hoped that the upcoming round of multilateral trade negotiations would promote development, eliminate trade barriers against developing countries and increase preferential treatment to promote the financing of development through trade.

41. His delegation supported the proposal to hold a self-standing conference devoted specifically to the issue of financing for development. United Nations discussions of that issue should focus on intergovernmental international cooperation and on mobilizing political will to resolve the funding crisis faced by developing countries. He hoped that decisions as to the form, agenda and preparatory process for the high-level event would be taken during the current session of the General Assembly.

42. **Mr. Rakotonaivo** (Madagascar) said that although the recommendations contained in the report of the Working Group (A/54/28) did not fully reflect his delegation's point of view, they could serve as a basis for discussion.

43. The high-level event should address all aspects of financing for development at the national, international and systemic levels in a holistic manner in the context of globalization and interdependence, with the ultimate goal of mobilizing additional resources on a stable, predictable basis to implement the outcome of the major international conferences of the 1990s and the Agenda for Development, in particular with regard to poverty eradication. At the national level, his Government had taken a series of steps to promote privatization, including funding for microprojects at community level and for the promotion of entrepreneurship.

44. Consideration of development financing should include the topics of ODA, primary commodity export profits and external debt, which should be addressed through genuine economic cooperation on the basis of international partnership and solidarity and of private capital flows, including foreign direct investment (FDI), for financing trade and innovative sources of funding. The views of developing countries, particularly with regard to ODA, should be taken into account. Concerns arising from the international financial crisis should not preclude a focus on

the needs of African countries, where the need for development financing was particularly acute. Special treatment should also be given to the least developed countries and the small island developing States.

45. The high-level event should also consider the reform of the international monetary, financial and trade systems and the establishment of a new global financial architecture. To that end, the Bretton Woods institutions, WTO and regional bodies should participate in the preparatory process and in the Conference itself.

46. **Mr. Niculescu** (Romania), noting the desirability of increasing the slow but steady rise in FDI in Central and Eastern Europe as markets opened and people's purchasing power grew, welcomed the general agreement to hold the high-level intergovernmental event in 2001. In the coming weeks there should be a concentration on the specific details of the preparatory process, using the expertise of the Bretton Woods institutions and particularly the World Bank. Further substantive work should be done to select shared priorities and take account of the new round of negotiations in WTO and UNCTAD, together with recent initiatives on the debt problem and the international financial architecture. It was also important to retain a degree of flexibility regarding the format of the final event, which could be co-sponsored by the United Nations and the World Bank.

47. **Ms. Narangua** (Mongolia), associating her delegation with the statement made by the representative of Guyana on behalf of the Group of 77 and China, said it was impossible for many countries to address the challenges of globalization and to tackle the question of development without taking into account the international environment and external financial support. Her delegation called upon its developed partners to honour the agreed ODA targets as well as commitments for new and additional resources. It also welcomed continuing progress in implementation of the HIPC initiative and considered that the financing of debt relief should not compromise financing made available through other concessional windows. Mongolia was of the view that development cooperation should include not only assistance and debt management but also trade, FDI and other private flows, access to technology and other areas. It emphasized the importance of a balanced approach linking macroeconomic and financial parameters with the human, structural and social aspects.

48. Landlocked developing countries continued to require more financial resources for their development, especially in terms of their transport infrastructure. Mongolia attached great importance to the draft resolution on specific actions related to their particular needs and problems to be adopted at the current session.

49. The reform of the international financial architecture should focus on developing financial standards and codes of good practice, seeking greater cooperation in ensuring supervision of the financial sector, improving emergency assistance and the role of foreign private investors and creditors, and developing early warning systems. The reform should also aim to reduce uncertainty about countries and financial markets through greater transparency and the more complete and rapid provision of relevant information. There needed to be better coordination of the functions of existing multilateral organizations, bringing together the key international institutions and national authorities involved in preserving the stability of the financial sector and cooperating on policies to reduce systemic risk. Discussion about the international financial architecture should take place not only within the framework of IMF and other multilateral organizations but also in universities, the press and among concerned non-governmental organizations.

50. Mongolia hoped that the General Assembly would take the appropriate decisions to further financing for development. It was important to involve all relevant international institutions and agencies, together with the private sector and civil society, in the process. In order to ensure the success of the high-level intergovernmental event and its effective implementation, it was also necessary for States to display political will.

51. **Mr. Yamazaki** (Japan) said it was impossible to overstate the importance of the preparatory work in ensuring the success of the final event; the report of the Ad Hoc Open-ended Working Group (A/54/28) was still too broad and general, however, and decisions had to be taken regarding the form, scope and agenda not only of the final event but also of the preparatory process. Views were likely to vary widely, and in order to narrow differences without politicizing the issue it was necessary to agree soon on a mechanism that would lead to the preparatory process. Japan was ready to play a constructive role in such a mechanism.

52. A number of basic points should be taken into account in shaping the preparatory process and the event itself. The focus should be not only on the level of resources available for financing for development but also on how they were to be used appropriately and efficiently in order to maximize their impact on development. The key elements in that endeavour were ownership and good governance on the part of developing countries as well as coordination on the part of development partners. Secondly, consideration of the issue of resource mobilization should be comprehensive and

encompass the full range of resources, including domestic and external resources, ODA and non-official development assistance resources. Japan wished to emphasize the importance of involving the private sector in achieving development objectives, since the potential of the flow of private capital had not been fully tapped. The negative aspects of the flow of private capital, such as its volatility and its concentration in a small number of countries, also needed to be addressed. Thirdly, it was essential to address not only the question of input or resource mobilization but also that of output or the results of development efforts, and what progress had been made towards achieving the targets set at the conferences and summits of the 1990s as a result of using domestic and external resources. Finally, the active involvement of the Bretton Woods institutions both in the final event and in the preparatory process was crucial: only through the coordinated efforts of the United Nations and the Bretton Woods institutions would the common objective of poverty reduction and sustainable development be achieved.

53. **Mr. Zarie Zare** (Islamic Republic of Iran) said it was necessary to establish and facilitate a substantive preparatory process for the convening of the high-level intergovernmental event that was based on previous successful experiences of convening major United Nations conferences. The process should be transparent and open to participation by all States Members of the United Nations, members of specialized agencies and observers; it should also report to the General Assembly at its fifty-fifth session.

54. A clear and detailed programme of work for the preparatory process would encourage the participation of experts from different ministries and other domestic institutions and facilitate the contribution of other relevant United Nations bodies, particularly the specialized agencies and regional bodies, the Bretton Woods institutions, WTO and other international organizations. The preparatory process should involve all relevant stakeholders, particularly the business community, civil society and non-governmental organizations. Contributions and input from regional commissions, regional banks and other regional bodies could also be useful. The contribution of UNCTAD in terms of organizing regional and other meetings would also be necessary in order to secure the active involvement of the developing countries in the preparatory process. The final event should be a self-standing, high-level conference; it should also have a clear follow-up mechanism to monitor, assess and evaluate the implementation of outcomes.

55. **Ms. Namgyel** (Bhutan), associating her delegation with the statement made by the representative of Guyana on behalf of the Group of 77 and China, said that a large number of developing countries, and particularly the least developed, had failed to be integrated effectively into the global economy and thus faced the risk of marginalization. Many of the plans of action emerging from the global conferences of the 1990s had not been fully implemented owing to paucity of resources, which further exacerbated poverty. The key to fulfilment of those noble objectives and plans of action was financing for development, and it was imperative that a coordinated international effort should be made to address the problems faced by developing countries and to enhance their capacities to play a more active role in the world economy.

56. The declining trend in ODA was becoming alarming and had even effected the programmes of UNDP and other specialized agencies. Increased private flows of capital, while desirable, could not finance the investments required for funding programmes in the social sectors. ODA provided the crucial source of funds which could not be replaced by FDI and other means.

57. A great deal of work needed to be done by a preparatory committee in terms of elaborating substantive details of the high-level intergovernmental event, which underscored the need to establish the preparatory committee as soon as possible.

58. **Ms. Miralles** (Venezuela), associating her delegation with the statements made by the representative of Guyana on behalf of the Group of 77 and China and by the representative of Mexico on behalf of the member countries of the Rio Group, said that the vital next step to be taken during the current session was the establishment of a substantive preparatory process leading to the holding of the high-level intergovernmental event. The process would have to involve the active participation of all institutions of the United Nations system, as well as the Bretton Woods institutions and WTO. It should also include participation by the private sector, non-governmental organizations and civil society. The time had come to establish a joint task force to serve as a consultative group in the preparations for the event.

The meeting rose at 5.35 p.m.

United Nations A/C.2/54/SR.30

General Assembly
Fifty-fourth session

Official Records

Distr.: General
15 November 1999

Original: English

Second Committee

Summary record of the 30th meeting
Held at Headquarters, New York, on Tuesday, 2 November 1999, at 3 p.m.

Chairman: Mr. Matute (Vice-Chairman) ..... (Peru)

Contents

Agenda item 100: Environment and sustainable development (*continued*)

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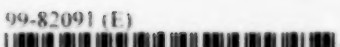
99-82091 (E)



In the absence of Mr. Olhaye (Djibouti), Mr. Matute (Peru), Vice-Chairman, took the Chair.

The meeting was called to order at 3.25 p.m.

Agenda item 100: Environment and sustainable development *(continued)* (A/54/468)

1. **Mr. Flanders** (Assistant Director, Division for Sustainable Development, Department of Economic and Social Affairs), introducing the report of the Secretary-General on international institutional arrangements related to environment and development (A/54/468), said that it had been prepared by the United Nations Environment Programme (UNEP) in consultation with the Department of Economic and Social Affairs on the basis of input provided by the secretariats of the various United Nations conventions and with contributions from the United Nations Development Programme and the United Nations University.

2. The report highlighted work in a variety of organizations, including UNEP, the World Bank, the United States National Aeronautics and Space Administration, the World Resources Institute and the convention secretariats to understand better the key scientific and policy linkages among the major environmental conventions.

3. Some of the issues considered included integration of national reporting requirements; the design of training and capacity-building programmes that covered issues related to more than one convention; cooperation among the convention bodies in producing integrated scientific assessments that examined the linkages among ecological processes; cooperation in producing materials to inform the public of the relationships among environmental issues; exploring the potential for integrating the meetings of the convention bodies in terms of time and place; and the work on joint letters of understanding and agreements among the convention secretariats on common issues.

4. After drawing attention to paragraph 38 of the report, which referred to the establishment of the Division of Environmental Conventions, he said that the key conclusion of the report was that coordination between multilateral environmental agreements and regional agreements needed to be strengthened at several levels, including cooperation between secretariats, national implementation and regional and local performance monitoring. The cooperation already taking place between various agencies and the convention parties and secretariats was contributing to increased scientific understanding of the linkages between issues and between conventions. Consideration could now be given to developing coherent and well planned interventions at national levels to identify specific issues upon which convention secretariats could work jointly. The General Assembly had an important policy role to play in furthering implementation at the national level and encouraging the work that was being done in various intergovernmental bodies to improve cooperation between the convention processes.

5. **Ms. Päivöke** (Finland), speaking on behalf of the European Union, the associated countries Bulgaria, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia, and in addition, Iceland, said that synergies, complementarities and cooperation could be identified between the respective governing bodies of the conventions, in spite of the fact that conventions were at different stages of implementation. The streamlining of national reporting, interlinkages of scientific and technical assessments, and a general exchange of information might represent some of the potential areas of cooperation.

6. The European Union acknowledged that there were already linkages and cooperation between UNEP and the environmental conventions, and wished to emphasize the need further to strengthen those linkages. It welcomed decision 20/18 of the Governing Council of UNEP because the decision underscored the need to intensify UNEP's catalytic role to stimulate and support collaboration among multilateral environmental conventions and international processes. There was clearly a need to address those international arrangements holistically under the global policy guidance of the General Assembly and with due regard to the role of the Commission on Sustainable Development, with full respect for the independent international legal status the various conventions enjoyed. That need should be kept in mind when deciding on the mandate of the environmental management group referred to in General Assembly resolution 53/242. The European Union supported the rapid setting up of that Group, which was a key element of the reform agreed in the resolution.

7. **Mr. Maksimychev** (Russian Federation) said that the report was very informative and particularly useful in setting out the efforts undertaken by the convention secretariats themselves to achieve better synergies. The process of achieving a more comprehensive, coherent and holistic approach to the implementation of the major environmental and environment-related multilateral international instruments should be aimed at promoting the complementarity of efforts under the different conventions and assisting States and the international community as a whole better to fulfil their commitments under the conventions. The General Assembly had a key role to play

in that process; in considering the issues it should take into account the autonomous character of the various conferences of the parties. His delegation believed that it was necessary to continue and build upon the work that had already been done, and it would soon be submitting a draft resolution with its suggestions in that regard.

The meeting rose 3.40 p.m.

United Nations A/C.2/54/SR.31

General Assembly
Fifty-fourth session

Official Records

Distr.: General
15 November 1999

Original: English

Second Committee

Summary record of the 31st meeting
Held at Headquarters, New York, on Wednesday, 3 November 1999, at 3 p.m.

Chairman: Mr. Niculescu (Vice-Chairman) ..... (Romania)

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Agenda item 99: Sustainable development and international economic cooperation *(continued)*

(a) Implementation of the commitments and policies agreed upon in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and implementation of the International Development Strategy for the Fourth United Nations Development Decade *(continued)*

Agenda item 98: Sectoral policy questions

(a) Industrial development cooperation

(b) Business and development

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99-82133 (E)

In the absence of Mr. Olhaye (Djibouti), Mr. Niculescu (Romania), Vice-Chairman, took the Chair.

The meeting was called to order at 3.20 p.m.

Agenda item 99: Sustainable development and international economic cooperation *(continued)* (A/C.2/54/L.20)

(a) Implementation of the commitments and policies agreed upon in the Declaration on International Economic Cooperation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, and implementation of the International Development Strategy for the Fourth United Nations Development Decade *(continued)*

1. **Mr. Talbot** (Guyana), introducing the draft resolution on behalf of the Group of 77 and China, said that since the Fourth United Nations Development Decade would end in 2000, the draft resolution requested the Secretary-General to submit to the General Assembly at its fifty-fifth session both a final evaluation and a draft international development strategy for the first decade of the new millennium, taking into account changes in the world economy as a result of globalization, interdependence and liberalization and the rapid advances in science and technology and the outcome of the Agenda for Development and of the major United Nations conferences and summits held during the current decade.

Agenda item 98: Sectoral policy questions

(a) Industrial development cooperation

(b) Business and development (A/54/320 and A/54/451)

2. **Mr. Sersale Di Cerisano** (Special Representative of the Director-General of the United Nations Industrial Development Organization (UNIDO)), introducing the report of the Secretary-General on implementation of the programme for the Second Industrial Development Decade for Africa (1993-2002) (A/54/320), said that Africa's marginalization from the global economy could be reversed only through industrial growth. Unless the continent's growth rates were significantly accelerated, it would take Africa until 2010 to regain per capita income levels of 1974. Programmes to promote recovery and consequent growth of manufacturing should be tailored to the specific needs of countries and should focus on competitiveness, productive employment and access thereto and the development or adaptation of sound technologies; UNIDO activities were targeting those goals through, *inter alia*, support for the private sector.

3. UNIDO had been actively involved in implementation of the Decade through the Plan of Action of the Alliance for Africa's Industrialization. At the policy level, UNIDO, in cooperation with the Organization of African Unity (OAU) and the Economic Commission for Africa (ECA), had established the coordinating mechanisms of the Patron's Group of Heads of State and Government. It had also contributed to the Dakar Declaration on the Future Competitiveness of African Economies of 5 March 1999 and had helped to organize the Conference on Industrial Partnership and Investment, held in Dakar in October 1999.

4. At the programme level, UNIDO had developed a portfolio of integrated services to address the challenges of industrial growth in Africa, focusing on the three core dimensions of sustainable industrial development: a competitive economy, productive employment and a sound environment. All its capacity-building activities and support services were directed towards the goal of sustainable industrial development and were fully coordinated with the United Nations Development Assistance Framework (UNDAF) and the United Nations system-wide Special Initiative on Africa. In that regard, a number of resident coordinators had recently travelled to Vienna to discuss the incorporation of selected UNIDO programmes into their common framework.

5. Lastly, at the financial level, UNIDO had decided to concentrate 70 per cent of its resources and fund mobilization efforts on integrated programmes in Africa. Japan, Italy, France, Germany, Denmark, the Netherlands, Switzerland and other donor countries had contributed up to $US 30 million to that initiative in addition to the $US 10 million provided by UNIDO.

6. The report contained recommendations for capacity-building activities at all levels, including investment and technology promotion and enterprise support services; enhancement of technical capacity in order to overcome barriers to trade in industrial products; strengthened complementarity between aid and investment in the manufacturing sector; use of debt-for-industrial-development swaps as a financing mechanism for industrial projects; increased investment in small and medium-sized manufacturing enterprises; and promotion of foreign private sector venture capital investment in the manufacturing sector, together with a corporate tax reduction in the investor's home country.

7. **Mr. Bertucci** (Director of the Division for Public Economics and Public Administration), introducing the

report of the Secretary-General on business and development (A/54/451), said that it was representative of United Nations commitment to the promotion of entrepreneurship and of wider participation by the private sector in the development and peace processes. The report reflected the diverse nature of the relationship between business and development and the need to facilitate intergovernmental dialogue; develop an international "soft infrastructure" for the orderly interaction of business; carry out advocacy; gather, analyse and disseminate information; and provide technical cooperation. The primary focus had been on the increasing importance of the private sector in the development process and on the crucial role of the State in creating an enabling environment for development of the private sector and maximization of its benefits.

8. Member States had shown an interest in the participation of the private sector in the fulfilment of the Organization's goals and in embracing universal principles and norms. The business sector had become one of the Organization's major partners, particularly in the follow-up to international conferences, as seen in the global compact proposed by the Secretary-General at the World Economic Forum held in Davos in January 1999. The report also covered United Nations initiatives to foster that partnership.

The meeting rose at 3.50 p.m.